

REPORT OF THE EXPERT GROUP ON PROGRAMMES FOR ALLEVIATION OF POVERTY



PLANNING COMMISSION
GOVT. OF INDIA
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PREFACE

The Sixth Five-Year Plan approved by the National Development Council in February 1981, has the following among its major objectives:

- i) A progressive reduction in the incidence of poverty and unemployment;
- ii) Improving the quality of life of the people in general with special reference to the economically and socially handicapped population, through a minimum needs programme whose coverage is so designed as to ensure that all parts of the country attain within a prescribed period nationally accepted standards;
- iii) Strengthening the redistributive bias of public policies and services in favour of the poor, contributing to a reduction in inequalities of income and wealth;
- iv) A progressive reduction in regional inequalities in the pace of development and in the diffusion of technological benefits;
- v) Promoting the active involvement of all sections of the people in the process of development through appropriate education, communication and institutional strategies.

The Plan has also set specific quantitative targets for bringing about a substantial reduction in the incidence of poverty in the country by 1985.

In view of the importance attached in the Plan to the alleviation of poverty, the Planning Commission had set up on March 27, 1981 an Expert Group to go into the various operational issues relating to the effective implementation of development programmes designed to reach the 'unreached'.

The urgency of attending to the effective implementation of programmes for alleviation of poverty is evident from the emphasis laid in the New 20-Point socio-economic programme announced by the Prime Minister on January 14, 1982 on the following:

1. Strengthen and expand coverage of integrated rural development and national rural employment programmes.
2. Implement agricultural land ceilings, distribute surplus land and complete compilation of land records by removing all administrative and legal obstacles.
3. Review and effectively enforce minimum wages for agricultural labour.
4. Rehabilitate bonded labour.
5. Accelerate programmes for the development of scheduled castes and tribes.

The major recommendations of the Group are given at the end of the report. The Group feels confident that if the policy and institutional instruments now available for assisting the poor to improve their income are sharpened and utilised effectively on the lines suggested in this report, the poverty alleviation goals of the Sixth Plan can be reached.

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Feburary 28, 1982

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Chairman

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CHAPTER - I

INTRODUCTION

1.1 The conquest of poverty and unemployment has been a major area of concern of the successive Five Year Plans. In spite of sustained efforts over the last 30 years, the incidence of poverty in the country is high. In 1977-78, 48% of the people were estimated to be living below the poverty line. In rural areas, the percentage was still higher at about 51 per cent. Of the total number of 303 million people estimated to be living below the poverty line in 1977-78, 252 million were in rural areas. This number is estimated to have gone up to about 260 million in 1979-80. There are wide variations in the incidence of poverty in different States. There are also considerable differences in opinion about methods of measuring poverty. The quality of life index (QLI) has been suggested as a more reliable method of measuring the impact of development on the incidence of poverty. Whatever may be the estimate, the people below the poverty line, even when defined in bare modest terms, comprise largely those whose consumption is very low and who have no or little physical resources of production. Quite often they are located in climatically unfavourable regions with low and fluctuating production and meagre avenues of employment. The principal elements of Sixth Plan strategy to reduce the incidence of poverty thus include :-

- (a) Programmes for the transfer of assets, skills and technologies to the identified rural poor,
- (b) Area development programme,
- (c) Employment generation programmes for wage and self-employment; and
- (d) Expanded Minimum Needs Programme.

1.2 Various strategies, policy-mix and programmes have been formulated and implemented to reduce the relative as well as absolute levels of poverty. There has been some improvement in the quality of life and the share of the poorest in the consumer expenditure over the plan period. What has been achieved is, however, quite short of what was aimed at. The average per capita income at 1970-71 prices did rise from Rs.466 in 1950-51 to Rs.730 in 1978-79. However, even this did not succeed in making a dent on the problem. Rapid growth in population as a result of a marked improvement in the average life span aggravated the situation. What is needed is a more effective implementation of asset transfer measures such as the transfer of land and live-stock, more equitable distribution of credit and coordinated effort that enables the poor to join the mainstream of economic development. A progressive reduction in the incidence of poverty and unemployment, improving the quality of life of the people, strengthening the redistributive bias of public policies and services in favour of the poor, and a progressive reduction in regional inequalities have been thus stated as the major objectives of the Sixth Five Year Plan 1980-85. Neither the lack of emphasis in the Plan document nor lack of appropriate ideas and schemes for alleviation of poverty can explain the persistence of dire poverty in the country. It is the delivery of the necessary package of technology and services and the implementation of public policies in the field of land reform and other forms of asset transfer that have proved inadequate in bridging the gap between plan and performance. This has been diagnosed as one of the major factors explaining the slow progress in the alleviation of poverty.

1.3 Although poverty is a phenomenon encompassing both the rural as well as the urban areas, a majority of the poor people live in the rural areas. A number of programmes e.g. the Integrated Rural Development Programme, the National Rural Employment Programme and others are designed to improve the economic well-being of rural families.

1.4 It was against this background, that in March 1981, the Planning Commission decided to set up a committee to examine the working of the Integrated Rural Development and other poverty alleviation programmes. Accordingly, a high level Expert Group was constituted in March, 1981 under the Chairmanship of Dr.M.S. Swaminathan, Member, Planning Commission to review various anti-poverty programmes and to suggest measures for their efficient implementation.

COMPOSITION AND TERMS OF REFERENCE

1.5 The composition of the Expert Group is as follows;-

- | | | |
|----|---|-----------------|
| 1. | Dr.M.S.Swaminathan, Member, Planning Commission. | <u>Chairman</u> |
| 2. | Shri Tarlek Singh, Former Member, Planning Commission, Indian Council of World Affairs, New Delhi. | Member |
| 3. | Shri E.P.W. De-Costa, Managing Director, Indian Institute of Public Opinion Private Ltd, New Delhi. | Member |
| 4. | Shri L.C.Jain, Chairman, Industrial Development Services Private Ltd., New Delhi. | Member |
| 5. | Dr.C.H.Hanumantha Rao, Member, Economic Administration Reforms Commission, New Delhi. | Member |
| 6. | Kumari Nirmala Deshpande, Paunar Ashram, Paunar, Wardha. | Member |
| 7. | Smt. Ela R.Bhatt, General Secretary, Self-Employed Women's Association. Ahmedabad. | Member |
| 8. | Shri S.C.Verma*, Secretary, Ministry of Rural Reconstruction, New Delhi. | Member |
| 9. | Shri B.G.Deshmukh,**Secretary, Ministry of Labour, New Delhi. | Member |

* Shri M. Subramanian, Addl. Secretary, in the Ministry of Rural Reconstruction and Shri A.B. Bose, Director in the Ministry of Social Welfare attended the meetings.

** Shri B.G.Deshmukh attended one meeting.

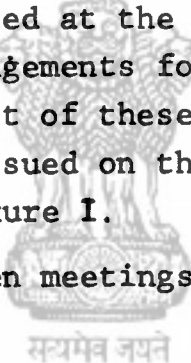
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| 10. | Shri M.S.Gill*and later Smt. S.Grewal, Secretary, Ministry of Social Welfare, New Delhi. | Member |
| 11. | Shri M.Ramakrishnayya, Deputy Governor, Reserve Bank of India and Chairman, ARDC, Bombay | Member |
| 12. | Shri G.V.Ramakrishna, Adviser (Rural Development & Cooperation) Planning Commission, New Delhi. | Member |
| 13. | Shri A.V.R.Char, Adviser (Labour, Employment & Manpower) Planning Commission, New Delhi. | Member |
| 14. | Dr.S.P.Gupta, Adviser (Perspective Planning Division) Planning Commission, New Delhi. | Member |
| 15. | Dr.S.M.Shah, Joint Secretary, (Programme Evaluation Organisation) | Member |
| 16. | Shri P.S.Krishnan, Joint Secretary, Incharge of Scheduled Castes Development, Ministry of Home Affairs, New Delhi. | Member |
| 17. | Dr.Bhupinder Singh, Joint Secretary, Incharge of Scheduled Tribes Deve- lopment, Ministry of Home Affairs, New Delhi. | Member |
| 18. | Dr.Harpal Singh,Joint Adviser, Rural Development & Cooperation Division, Planning Commission. (Shri S.K.Duggal, Joint Adviser, Planning Commission upto 11th August, 1981). | Convenor |

1.6 The terms of reference of the Expert Group are as follows:-

- (i) To review the various programmes in the Sixth - Five Year Plan for the alleviation of poverty on the basis of the household, beneficiary approach,
- (ii) To review and suggest improvmenet in the detailed mechanism for the implementation of these programmes with particular reference to:-
 - (a) The content of programmes and projects to be implemented at the block level;
 - (b) The manner in which they could be developed at the national/State/district level;
 - (c) The different organisational arrangements under which such programmes and projects could be implemented at the block level, and
 - (d) The arrangements for continuous monitoring of the impact of these programmes and projects.

The notification issued on the Constitution of the Committee is given at Annexure I.

1.7 The Group held seven meetings all at New Delhi on the following dates:-



| | |
|-----|-------------------------------|
| 1st | 16th April, 1981 |
| 2nd | 27th May, 1981 |
| 3rd | 11th August, 1981 |
| 4th | 28th and 29th September, 1981 |
| 5th | 21st October, 1981 |
| 6th | 9th December, 1981 |
| 7th | 5th February, 1982 |

FIELD VISITS

1.8 The Group in its Second Meeting decided that some Members could go on field visits to study the implementation of the current anti-poverty programmes. Some of the Members of the Group accordingly visited selected districts of Uttar Pradesh, Rajasthan and Kerala.

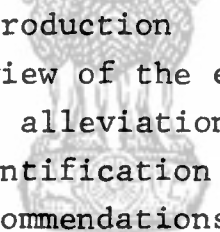
One Team visited Kerala from 25th to 27th June, 1981 and examined the working of the IRD programme there.

In Rajasthan, Udaipur district was visited by another Team from 8th to 12th July, 1981 for first hand observation of the working of the integrated rural development programme with special reference to action against poverty among tribals.

The third Team went to Uttar Pradesh from 3rd to 5th August, 1981 and toured Bareilly (Bachhawan and Maharaj Ganj Block), Sitapur (Misrikh Block) and Lakhimpur Kheri (Bankayganj Block) districts. The team studied the implementation of the poverty alleviation programmes with particular reference to the Special Component Plan.

1.9 These visits provided a very useful feed-back to the discussions in the 3rd, 4th, 5th and 6th meetings of the Group.

1.10 The present report is divided into the following three chapters:-



| | |
|-------------|--|
| Chapter I | Introduction |
| Chapter II | Review of the existing programmes for alleviation of poverty, including identification of problems and issues. |
| Chapter III | Recommendations |

1.11 The Group has made various recommendations relating to the concept of integrated rural development, implementation, coordination, credit and marketing support, decentralised planning, involvement of voluntary agencies and promotion of peoples action. The Group has recognised the critical importance of a participative and interactive method of rural development in which the potential beneficiaries of development would have definite role and responsibility to perform. The Group has identified the difficult categories of rural poor as comprising of landless labourers, rural artisans, members of Scheduled Castes and Scheduled Tribes, marginal farmers and other groups such as shepherds, nomadic and construction workers, destitutes, widows, physically handicapped etc. Recommendations are contained in Chapter III. It is hoped that the concerned Central Ministries

State Governments, Reserve Bank of India, A.R.D.C. and other Cooperative, credit and marketing institutions, District Rural Development Agencies and all others concerned would examine the various recommendations relating to them in the report and take speedy and effective action on them.

1.12 The Group wishes to place on record the services rendered by Shri S.K.Duggal, Joint Adviser, Planning Commission, who acted as Convenor of the Group till its third meeting on 11th August, 1981. Dr.Harpal Singh, Joint Adviser, Rural Development and Cooperation took over as Convenor thereafter. The Group records its appreciation of the assistance provided in its work including drafting of the report by Dr.Harpal Singh, Joint Adviser, Shri B.Dayal, Senior Research Officer and Shri K.B.Lall, Research Officer, in the Rural Development and Cooperation Division of the Planning Commission. The Group also owes a special debt of gratitude to a number of other experts including Dr.S.K.Rau, Director General, National Institute of Rural Development, who participated in the meetings of the Group and gave it the benefit of their experience in rural development. The Group is highly appreciative of the organisations and individuals, who contributed papers for its benefit. These are listed as an Annexure to the Report.

CHAPTER II

REVIEW OF THE EXISTING PROGRAMMES OF POVERTY ALLEVIATION

2.1 The reduction of poverty and unemployment had been one of the avowed aims of planning in the post-Independence period. The general objective of ensuring a certain rate of economic growth and the specific aim of building a socialistic pattern of society and reducing inequalities in income and wealth had been the refrain of all the Plans. Two of the four principal objectives of the Second Five Year Plan had been (a) a large expansion of employment opportunities and (b) reduction of inequalities in income and wealth and a more even distribution of economic power. The Third Plan reviewed the progress in the earlier plan period and set a perspective for development. It reiterated that one of the principal aims guiding the formulation of Third Plan was to "establish progressively greater equality of opportunity and to bring about reduction in disparities in income and wealth and a more even distribution of economic power". The Fourth Plan too observed; "The benefits of development should accrue in increasing measure to the common man and the weaker sections of the society, so that the forces of production can be fully released". The Draft Fifth Plan, in the Chapter on Objectives and Policy Frame, opens with a declaration, "Removal of poverty and attainment of self-reliance are the two major objectives that the country has set out to accomplish in the Fifth Plan". The Draft Sixth Plan 1978-83 (Revised) embodied welfare and significant improvement in the conditions of living of the poorest as the major objective of planning.

2.2 The earlier Five Year Plans had focussed on the building up of productive capacities, infrastructures and social services as means, firstly, for the growth and development of the national economy and, secondly, for making an impact on the problems of poverty, unemployment and under-employment. In more recent

Plans, poverty has been seen increasingly as the central problem calling for special action in relation to specified socio-economic groups which have remained weak and deprived in essential services and opportunities. Beginning with the Fourth Plan (1969-74), there has been progressively greater effort to identify such groups and propose programmes designed to improve their situation. Also, specially in the Fifth Plan (1974-79), and in the currently operative Sixth Plan for 1980-85, greater attention has been given to the quantitative aspects of the problem. In these Plans, the discussions of the problem, in terms of numbers below the poverty line in rural and urban areas and the likely impact of the growth of population and the labour force on the numbers have been brought out to the extent statistical information gathered in the National Sample Survey and other enquiries made possible. Thus, the Sixth Plan (1980-85) has indicated that in 1977-78, on the basis of available information, 50.82 per cent of the rural population, 38.19 per cent of the urban population, and 48.13 per cent of the total population of the country subsisted below the "poverty line continuously over a long period". The poverty line has been defined in the Sixth Plan as the mid-point of the monthly per capita expenditure class having a daily calorie intake of 2400 per person in rural areas and 2100 in urban areas. At 1979-80 prices, the mid-points are Rs. 76 in rural areas and Rs. 88 in urban areas.

2.3 These are very large magnitude and it is obvious that the growth of the economy and the pattern assumed by India's development has thus far failed to have any significant impact on numbers which cannot but be considered as disturbingly large. Therefore, the Sixth Plan sought to approach the problem of poverty alleviation by three major stages, namely,

- (a) Identification and measurement;
- (b) Developing realistic targets; and
- (c) Formulation of specific programmes to match the targets.

2.4 Consistent with the Plan objectives, a number of general as well as specific programmes of development have been taken up

to alleviate poverty. The Expert Group is concerned with programmes for the alleviation of poverty in the rural areas. A number of specific developmental measures were taken on national as well as area-specific scale in the country-side to improve the conditions of living, raise productivity, improve the levels of consumption and create more employment. In this context, the Community Development, National Extension Service and Panchayati Raj of the Fifties have provided the foundation for later developments. The Intensive Agriculture District Programme (I.A.D.P) or the package programme as it was popularly known and the Intensive Area Development Programme (IAAP) were taken up in the Sixties with the specific objective of raising farm output. In later developments, Small and Marginal Farmers Development Programmes, Drought Prone Area Programmes, Desert Development Programmes, Cattle and Livestock Development Programmes and Food for Work Programmes of the seventies constituted a more direct attack on the problem of rural poverty. The minimum needs programme attempted to raise the level of social consumption of the poor people and thus supplemented production-based schemes designed to raise incomes and output of individuals. Scheduled Castes and Scheduled Tribes who constituted some of the most disadvantaged poverty groups were also sought to be helped through Special Component Plans and Tribal Sub-Plans.

2.5 Notwithstanding these efforts, some of which were well conceived, the problem of rural poverty has continued to persist in a significant manner. The Sixth Five Year Plan 1980-85, therefore, apart from relying on the higher general rate of growth of the economy, proposes the following three major instruments for relieving rural poverty:-

- I. Resource transfer and income development programmes for the rural poor,
- II. Special Area Development Programmes; and
- III. Work programmes for creation of supplementary employment opportunities.

2.6 The Minimum Needs Programme, which is essentially an investment in infrastructure and human resource development, is

another important Plan programme supplementing and supporting the above beneficiary and area specific activities of helping the rural poor. Provision of free or subsidised services through public agencies is expected to improve the consumption levels mainly of those living below the poverty line. The integration of social consumption programmes with the direct economic programmes mentioned above is necessary to ensure enduring impact on the problem of poverty in rural areas.

2.7 This Chapter reviews the present status of the programmes falling under the above three instruments devised for the alleviation of poverty and identify certain critical problem areas in implementation.

I - RESOURCE TRANSFER AND INCOME DEVELOPMENT PROGRAMMES FOR THE RURAL POOR

2.8 One of the serious causes of persistent rural poverty is the extremely narrow base for production for the majority of the population. The ownership of land and other sources of production in the villages is distributed in a highly skewed manner. There were in 1976-77, 44.5 million marginal holdings of less than 1 hectare each constituting about 55 per cent of the total. The average size of holding of these farmers is only less than 0.4 hectare. This is an extremely small base of production necessary to ensure income adequate to raise the family above the poverty line. In addition, there were 14.7 million holdings in the size group of 1-2 hectares. A large proportion of these "small holdings" too suffer from a narrow production base. Landless labourers have practically no resource-base and constitute the hard core of poverty. Rural artisans too have exceedingly meagre resources other than their traditional skills, to yield income other than their traditional skills, to yield income sufficient to meet barest needs of human existence.

2.9 The Sixth Five Year Plan has the following two specific programmes for the transfer of productive assets and resources to the rural poor:-

- (1) The Integrated Rural Development Programme; and
- (2) The distribution of surplus land among the landless and its development.

1. INTEGRATED RURAL DEVELOPMENT PROGRAMME (IRDP)

2.10 The Integrated Rural Development Programme was first introduced in March 1976 by the then Minister of Finance. By 1979, the IRDP covered 2600 blocks in the country. The programme was extended to cover the whole country with effect from 2nd October, 1980 on uniform basis. The main objective of the I.R.D.P as the expression is used in current planning is to transfer productive assets and thus broaden the resource base of the poorest rural families. The programme envisages that 600 poorest families shall be assisted in each of the 5011 development blocks in the country every year to improve their income. Thus a total of 3 million poorest rural families each year aggregating to 15 million during the five year period of the Sixth Plan 1980-85, would be assisted to move above the poverty line. As mentioned earlier, these poorest families either do not possess any or have a very small base of production. The enlargement of productive resource base in the form of land augmenting capital transfer i.e. through irrigation, land development, plantations, afforestation, livestock, sericulture, aquaculture, etc. would constitute an important method of alleviating their poverty. On an average it is expected, that out of 600 poorest families to be assisted every year in each development block, 400 would be helped in agriculture and allied activities including animal husbandry, sericulture, poultry, piggery, fishery, forestry, etc. The finances including subsidy and loans, necessary to transfer the ownership of productive assets and resources would be provided to these families to enable them generate income sufficient to cross the poverty line. The realities of the overall narrow land-man ratio in the country side are, however, such that a certain number of poorest rural families have to be helped outside agriculture. The IRDP stipulates that about 100 families shall be assisted in the secondary sector i.e. on rural industries and

another 100 in the tertiary or services and trade sector. Assistance to these families in these sectors too would require the transfer of assets and skills to them besides ensuring the back-up of necessary raw material procurement, technical and marketing services. Financial assistance to enable the poorest families settled in trades and occupations would also be necessary to enable them to acquire assets like tea stalls, pedal rickshaws, transport carts, etc. Thus the approach to alleviation of poverty in the rural areas under IRDP comprises the transfer of assets and resources, so as to broaden the production base of those who already have some land, cattle, equipment, etc. as well as to supply a new asset to those who are completely resourceless (except their family labour) like the landless families. Such transfer of productive assets is, however, seen as part of a project and a production programme and not an isolated case of just handing over certain assets or means of production and income.

ORGANISATIONAL STRUCTURE OF I.R.D.P.

2.11 As mentioned earlier, with effect from October, 1980 the I.R.D.P. has been extended to include all the 5011 blocks in the country. The I.R.D.P. is being implemented through a central coordinating agency in each district. After a somewhat slow beginning, almost all the States have now established District Rural Development Agencies in practically all the 400 districts of the country. The recruitment, training and posting of staff in these agencies has picked up momentum and most of the agencies are functioning. The staff at the DRDA's level generally comprises, besides the Project Director, three Assistant Project Officers for Agriculture, Animal Husbandry and Cooperation. In addition, two more officers for Monitoring and Accounts have been added. A Planning team consisting of one Economist-cum-Statistician, one Credit Planning Officer and one Rural Industries Officer has been added to the DRDAs. Below the district level, the block is the basic unit for rural development. Over the years, its role and responsibility for coordinating and implementing different sectoral development programmes had

suffered a set back. The erosion in the number and quality of staff at the block level as a result of the introduction of Training and Visit System of agricultural extension, consequent withdrawal of V.L.Ws and setting in of a trend towards building vertical departmental hierarchies. This is now being rectified. The Ministry of Rural Reconstruction, which is the nodal Ministry for IRDP has offered to provide 50% of the financial assistance needed for strengthening of the block level staff. Six States namely Uttar Pradesh, Rajasthan, Assam, Bihar, Himachal Pradesh and Madhya Pradesh have so far sent proposals which have been discussed and approved by the Ministry of Rural Reconstruction. The remaining States are being requested to expedite their proposals so that the process of adequate staffing at the block level is completed in the next few months. The process is however, slow and needs to be expedited. Emphasis also need to be laid on adequate training and orientation of the block staff for implementing the IRDP and other programmes of poverty alleviation in the rural areas. Needless to mention that these are quite complex projects to implement and administer. The availability of well trained and motivated staff in adequate numbers, in all the main areas of developmental activity is critical to the success of the programme.

2.12 In the Tribal sub-Plan (which is being operated in 17 States and 2 Union territories) areas, an administrative structure has been brought into existence for execution of its programmes. The nature of the structure varies from State to State, but broadly speaking Integrated Tribal Development Projects (ITDPs) have been brought into existence and placed generally under a Class I State Civil Service or IAS Officer called Project Administrator. Subject-matter specialist officers in the field of agriculture, animal husbandry, cooperation, forestry, etc., have been posted in the project to assist the Project Administrator. The ITDP is the aggregate of a number of blocks comprising in some rare cases of one block. The block is the lowest unit of execution of the ITDP programmes. Hence, in the Tribal sub-Plan areas of the concerned States and Union territories, an ITDP

exists between the district and block tiers. There is, however, need to forge appropriate linkage between the DRDA and the ITDP.

FINANCIAL ARRANGEMENTS

2.13 The Sixth Plan envisages that on an average, each of the 5011 development blocks will be provided with an outlay of Rs. 5 lakhs in the first year, Rs. 6 lakhs in the second year and Rs. 8 lakhs in each of the remaining three years of the Plan. A development block would thus have a total of Rs. 35 lakhs for Integrated Rural Development Programme for the Sixth Plan period 1980-85. This outlay would be shared equally between the Centre and the States. The Plan provides for a total outlay of Rs.750 crores as the Centre's contribution to the IRDP. The States would be providing a matching contribution and a total outlay of Rs. 1500 crores for IRDP thus exists in the Sixth Five Year Plan. During 1980-81, the actual central expenditure on IRDP totalled Rs.83 crores. During 1981-82, an outlay of Rs. 145 crores has been provided for IRDP.

METHOD OF FUNDING

2.14 Assistance to the identified families in the villages for the purchase and ownership of productive assets is facilitated by a provision of a subsidy component and help in obtaining the loan component from institutional credit agencies. Subsidy to an individual family is subject to a ceiling of Rs.3000 for scheduled castes and other families and Rs.5000 for the families of scheduled tribes. Further, the subsidy is restricted to one-third of the total cost of an asset in case of general categories of the rural poor and one-half in the case of scheduled tribes. The remaining loan component is to be provided through the financing institutions. It is necessary to explain here that the subsidy as well as the loan is part of a project and cannot be claimed in isolation and independent of the actual financial requirements. It is thus hoped that while Rs.1500 crores shall be available from the Centre and the States for

transfer of assets during the Sixth Five Year Plan for assisting 15 million families cross the poverty line, about Rs.3000 crores would flow as the loan component from the financial institutions to the identified families. It is hoped that a total investment of Rs.4500 crores in addition to such contribution as the identified families themselves might make, would help the 15 million families of the rural poor to move about the poverty line.

COORDINATION AND INTEGRATION

2.15 By the very nature of its method of functioning, as a poverty alleviation programme, the IRDP depends for its success heavily on the linkages - horizontal as well as vertical, it is able to establish with other sectoral development programmes and supporting infrastructure and services. Even when an asset is transferred to the identified families and loans and subsidies are arranged for the same, the success of the project ultimately would depend upon the extent to which that particular developmental activity has been enmeshed into the other developmental programmes of the different departments like Agriculture, Animal Husbandry, Irrigation, Forestry, Fishery, Industry, etc. As an example, the flow of final benefit from the purchase of milch cattle facilities under IRDP would be contingent upon the availability of veterinary services, fodder and feed, and arrangements for marketing of milk. The IRDP thus envisages that while the beneficiary oriented transfer of asset would be arranged under the programme, the appropriate back up services and infrastructure would be provided by the concerned developmental departments. The fact, however, remains that this support has not been forthcoming in adequate measure from the concerned departments. Coordination too has been weak at the district and weaker still at the block level.

2.16 As mentioned earlier, the disbursement of subsidy is part of a total project cost. The other important component is the loan. The subsidy and the loan components are expected on an average to be in the ratio of about 1: 2. The success of the

poverty alleviation programme thus depends and to a great extent on loans. While the IRDP assumed that the term loan would roughly be twice the subsidy released, the record and experience of the implementation of IRDP during 1980-81 shows that this ratio has been much lower at about 1: 1.33 only. The flow of institutional credit to the IRDP families is beset with a number of problems. Instances are not wanting where the poorest rural families, identified for assistance, have either not received any loan or have not been intimated of any decision or have been compelled to make several visits to the bank branch for getting the loans ordered. The financial institutions on the other hand have been complaining of poor preparation of projects and inadequate information. The fact remains that the institutional finance has not flowed to the extent expected. Therefore, the Ministry of Rural Reconstruction has recently set up a Standing Committee to deal with the problems arising in the flow of credit to the identified poorest families under the IRDP.

PLAN OF ACTION

2.17 As mentioned earlier, the objective of the IRDP Block Plan is to assist 3000 families in a block to increase their income above the poverty line during the Sixth Plan period. This IRD Plan will necessarily have to be effectively integrated with the development programme of the concerned departments and thus be eventually a part of the comprehensive block development plan. The IRD Block Plan will be in two stages, namely (i) a five year block profile of the Perspective Plan, and (ii) an annual Action Plan.

2.18 The Five Year Credit Plan and Annual Credit Plan will be a part of these Plans. Operationally, the preparation of block plans involves several steps. These are briefly described below:-

PREPARATION OF FIVE YEAR PERSPECTIVE PLAN

2.19 The first step would be preparation of an inventory of local resources including human resources. This resource inven-

tory will provide a basis for identifying the development potential and evolving suitable plans for assistance to the rural poor through integrated rural development. Since, however, the IRD block plan is limited to assisting the rural poor, only such information which is directly relevant for this purpose would be collected. The inventory of local resources would include, in particular, population and human resources area and location-specific resource data, economic activities, other infrastructural facilities available and other social institutional facilities. The second step will be to review all ongoing programmes both plan and non-plan at the block level. After listing the various programmes and activities, an appraisal of these will be made with a view to assessing the relevance of each of these developmental schemes in the context of the needs of the target groups. An analysis of local resources and review of ongoing programmes will lead to the third step of preparing a perspective sector-wise five year block development plan. These sectoral development plans are to be formulated in consultation with the local heads of technical departments, lead banks and other institutions like Khadi & Village Industries Commission, District Industries Centre, etc. The perspective block plans should be aggregated at the district level and should be discussed in a meeting of the governing body of the DRDA and approved by it. The next step will be preparation of credit plans based on the perspective plans. The guidelines issued by the RBI on the preparation of district credit plans and by the ARDC on the preparation of block banking plans, are to be taken into account while preparing block credit plans. Since about 3000 beneficiaries are expected to be assisted at the rate of 600 per year during the Sixth Five Year Plan, it is necessary to phase the implementation in selected clusters. The clusters may be either spatial in terms of number of villages or functional, for instance, for groups of village falling along milk routes.

ANNUAL ACTION PLAN

2.20 The next task for the preparation of perspective plans and selection of clusters will be to prepare an annual plan for

the block, cluster-wise. For this purpose, it will be necessary to undertake a survey of the families residing in the selected clusters. The survey is to be conducted either in the clusters selected for implementation of the programme during the year only or if necessary, in all the clusters being included in the programme in the subsequent years. The guidelines provide for the identification of at least twice the number of families to be eventually assisted since some of the identified families may be found ineligible for assistance being defaulter or for some other reasons. The preliminary survey may be confined to families owning or operating less than 5 acres of land and other families whose income prima facie is less than Rs.3500 per annum. The final selections will, however, be based on a detailed household survey and will be confined to those who are below the poverty line. Following this household survey the selected families will be classified in terms of per capita annual income. Generally, the poorest among the poor are to be selected for assistance. The guidelines provide that the bank personnel may be associated with the household survey and identification of beneficiaries, if possible. The final selection is best made in a meeting of the Village Council (Gram Sabha).

2.21 The household survey will indicate the asset position, present occupation and the preference for a project/occupation of each household. The next step will be the preparation of family plans.

2.22 The identification of the poorest beneficiaries among the rural families for being covered under the IRDP has raised certain issues. It has been observed that in several areas, survey as well as identification is done by the local government functionaries like the school teachers etc. Influential persons of the villages are consulted at some stage. The General Body of the Village i.e. the Gram Sabha or the elected body the Goan Panchayat is not always consulted in the selection of the poorest families. The involvement of the local bodies, statutory and otherwise has not been to the extent desired. Secondly, the

clustering of the villages for conducting the survey and identification of beneficiaries whether on functional or locational basis, has deprived the less accessible villages from being included in the initial clusters. These villages would, no doubt, eventually be taken up in the coming years. As mentioned earlier also, the third problem is that the developmental schemes and projects prepared for the identified families have not always been properly integrated with the sectoral developmental programmes in existence or in the offing. Demands, for example, for additional animals of high milk yielding breeding arising from the projects prepared for the poorest families in the IRDP has not been met due to constraint of supplies of such animals. Another area where some more effort is required is the involvement of voluntary agencies, industrial houses, village organisations, both statutory and non-statutory in this important effort of poverty alleviation. These individuals and agencies have considerable potential to play their part in the IRDP. Some arrangements have been made but these are, at best, feeble and half-hearted.

PROGRESS OF IMPLEMENTATION

2.23 During the year 1980-81, the Small Farmers Development Agency (SFDA) as well as I.R.D. programmes were operational until October 1980. The I.R.D.P. covered all the blocks in the country thereafter. Nearly 2.8 million beneficiaries were assisted during 1980-81. An expenditure of Rs.150 crores was incurred by the Centre and the States during the year. A total of about Rs.252 crores of credit has been disbursed by both cooperatives and the commercial banks for helping the transfer and acquisition of resources to the poor families sponsored under the I.R.D.P. and the erstwhile S.F.D.A. Of this, Rs.199 crores has been the 'term-loan'. The share of scheduled castes and scheduled tribes in the total credit disbursed by the institutional agencies during the year has been 26 per cent. In the total beneficiaries assisted during the year 1980-81, the proportion of scheduled castes has been 17.9 per cent and of scheduled tribes

6.7 per cent. It may be seen that during the year 1980-81, for which information is available, the per beneficiary expenditure under the combined S.F.D.A. and I.R.D.P. has been about Rs.460 and the ratio of subsidy to term credit 1: 1.33. There are fears expressed in some quarters that this scale of transfer of financial resources may in some cases not be adequate to generate incremental income necessary to lift the poorest rural families above the poverty line. As the programme was extended to all the blocks only from October 1980, it took some time to undertake the relevant surveys and identify the households. It is expected that the position of both flow of subsidy and loans will improve in 1981-82 the first full year of implementing the I.R.D.P.

TRAINING OF RURAL YOUTH FOR SELF-EMPLOYMENT

2.24 The settlement of the poorest rural households particularly the youth both in self-employment as well as on wages in the secondary sector i.e. rural industries and trades, often poses a number of problems. Even when there is a demand for particular trades or products, the necessary finances can be arranged and the raw material is available, the youth from the target families of rural poor does not possess the necessary skill to take advantage of the immense potentiality of supplementing their families income available in the secondary and tertiary sectors. A National Scheme for Training of Rural Youth for Self Employment (TRYSEM) was initiated by the Central Government in July, 1979. The main thrust of the scheme is equipping the rural youth with necessary skills and technology to enable them to seek self-employment. Only youths belonging to the families of the target groups of small and marginal farmers, agricultural labourers, rural artisans and others, below the poverty line and in the age group of 18-35 years are eligible.

2.25 TRYSEM forms part of I.R.D. and aims at training two lakh rural youth every year at the rate of 40 youth per block in the country. Training is one item in a package of services.

The scheme envisages organisational and operational linkages with other institutions so that supporting services like credit, marketing, supply of raw material, design development, etc. are also provided to the trainees at the appropriate time.

2.26 Responsibility for the final selection of trainees is of the Project Officer of the DRDA, or of the BDO as may be determined by the State Government. Each trainee is given a stipend of Rs.100 per month. An amount upto Rs.50 per trainee per month is also given as training expenses to the training institution. Assistance upto Rs.250 per trainee is also made available to give a tool-kit to each trainee depending upon the nature of trade the trainees have been trained in.

2.27 During 1980-81, over 1 lakh rural youths have been actually trained and over 85,000 were undergoing training in various vocations. There are no adequate monitoring and follow up arrangements as yet to measure the impact of the scheme on the income of the households. It is, however, believed that about one-third of those trained have been able to settle in self-employment. Proper selection of trades in which the youths are to be trained, support of the parents, arrangements for credit and marketing of product and proper follow up during the post-training period are some of the measures that have to be tied up so that the scheme achieves its objective of alleviating rural poverty.

2.28 The present scheme of Training of Rural Youth for Self-employment is however, restrictive in its scope. At present, youths belonging to the target group of poorest rural families only are eligible for assistance under the scheme. The problem of rural poverty and the need for providing necessary skills to the rural youths is however, much more wide-spread. The youths belonging to the families which are not necessarily the poorest and belong to the families of not-so-poor also need training in trades leading to self-employment. The scheme as formulated thus excludes a large number of other rural youths who too are badly in need of acquisition of skill from its purview.

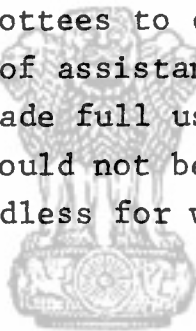
2. TRANSFER OF LAND

2.29 Despite economic development, 'Land' in the rural areas continues to be an important asset and a measure of social and economic strength. A majority of rural poor consists of landless people. Laws on ceilings of agricultural lands have been enacted and are being implemented in practically all the States of the country where land ceiling is relevant i.e. except Nagaland, Meghalaya, Arunachal Pradesh and Mizoram where land is generally held by the community. On the basis of latest estimates prepared on 1.2.1982 and made in accordance with the revised Guidelines issued on 9th November, 1981, about 21.15 lakh hectares of land is estimated to be surplus. Andhra Pradesh and Rajasthan account for over one-third of this estimated surplus. Assam, Karnataka, Maharashtra and Bihar account for another one-third of the surplus. What is more important, however, is that only about 16.37 lakh hectares i.e. three-fourth of the estimated surplus has been declared surplus, only 10.79 lakh hectares (one-half of the estimated surplus) has been taken possession of and further 7.45 lakh hectares (one-third of the estimated surplus) has actually been distributed among 13.34 lakh beneficiaries. Admittedly, the transfer of ceiling surplus land to the landless will not satisfy the land hunger of all the landless rural people. However, to the extent, surplus land is available, it should be declared surplus, taken possession of and distributed among the landless rural poor, much more expeditiously than has been the case so far.

2.30 It is pertinent to mention here that large public investments are being made under the Plans for the extension of irrigation. During the Sixth Plan, Rs.8,448 crores are targetted to be spent on major and medium irrigation works, apart from Rs.1,810 crores (in addition to Rs.1,700 crores of institutional investment) provided for minor irrigation. The proposed level of investment in money terms on Major and Medium irrigation is more than what had been made in the entire 1950-51 - 1979-80 period of planned development. During 1980-85, irrigation potential of

5.7 million hectares is expected to be created under major and medium irrigation projects. With the facilities of irrigation and conversion of dry land into perennially irrigated land under major and medium irrigation systems, the classification and status of land for the purpose of ceiling will change. If this happens, as it should, more land may become available for transfer to landless as a result of the lowering of ceilings applicable to perennially irrigated land. This would help satisfy a larger number of landless rural poor.

2.31 In addition to the transfer of ceiling surplus land, the development of such land to a State where it can be used to grow crops is of no less importance. Allotment of under-developed land to landless and resourceless persons raises insurmountable problems for them to cope with. Not much effort seems to have been made to assist the allottees to develop the land. The centrally sponsored scheme of assistance to assignees of ceiling surplus land has not been made full use of. Similarly, the land available under 'Bhoodan' could not be properly utilised for crop cultivation by the landless for want of pre-cultivation development perquisites.



II. SPECIAL AREA DEVELOPMENT PROGRAMMES

2.32 Prevalence of rural poverty is extensive and deep in areas and regions affected by hostile climatic conditions. The deserts, the ravines, the chronic drought areas, etc. constitute some of the difficult areas where poverty is pervasive. The Drought Prone Area Programme and the Desert Development Programme, among others, constitute the second set of instruments designed to alleviate rural poverty. The DPAP which covers 557 blocks spread over 74 districts in the country is an integrated area development programme and aims at optimum utilisation of land, water and livestock resources, restoration of ecological balance and stabilisation of incomes of people particularly the weaker sections of the society. The programme which was started in 1970-71, will be continued during the Sixth Five Year Plan with

the strategy for development of those areas being reoriented by insulating their economy from the effects of recurring droughts through diversification of agriculture and promoting afforestation, pasture development and soil and water conservation. Mere spending of money, however, even on accepted priority programmes, would not meet the objective unless this is done as part of clearly conceived perspective of long as well as medium term development. Watershed management is expected to receive highest priority and steps are being taken to promote the cooperative management of watersheds by the people in the area. An interdisciplinary Task Force set up under the Chairmanship of Dr. M.S. Swaminathan, Member, Planning Commission, to review the scope and coverage of this programme, has made several recommendations for improving the impact and coverage of the Drought Prone Area and Desert Development Programmes. While the DPAP is essentially an area based programme, the individual beneficiary content of this programme will be supported through IRDP. The Drought Prone Area Programme has a large potential of generating additional employment, which could be optimally utilised in conjunction with the National Rural Employment Programme.

2.33 The Desert Development Programme was launched in 1977-78. The programme aimed at covering 18 districts in hot and arid zones of Rajasthan, Haryana and Gujarat defined as desert area in the report of Desert Development by the National Commission on Agriculture. The cold arid zones of Ladakh and Jammu & Kashmir and Spiti region of Lahaul and Spiti District of Himachal Pradesh are also covered under the programme. The objective is integrated development of the areas covered with the aim of raising their productivity thereby increasing the income levels and employment opportunities for the local population. Afforestation, grassland development and dunes stabilisation, ground water development, construction of water harvesting structures, rural electrification for energising pumpsets and development of agriculture, horticulture and animal husbandry are some of the principal components of the programme. The programme, however, deserves a stronger technical and extension back up than has been provided so far.

III. WORK PROGRAMME FOR CREATION OF SUPPLEMENTARY EMPLOYMENT OPPORTUNITIES.

2.34 One of the basic problems of rural poor has been the state of under-employment and unemployment. While the above two programmes help to create and increase opportunities for employment and income generation for the rural poor, a programme of immediate and direct relevance for alleviation of rural poverty calls for a multi-pronged strategy which aims, on the one hand, on resource development of the vulnerable sections of the population and, on the other, provides supplementary and direct employment to the rural poor particularly during the lean periods in a manner which, at the same time contributes directly to the creation of durable and productive assets for the community. A number of States particularly Maharashtra, Karnataka, Andhra Pradesh, Tamil Nadu, etc. are having employment guarantee/affirmation schemes. In 1977, a programme of Food for Work was launched to utilise stocks of surplus foodgrains for converting the surplus manpower into productive capital assets. As from October, 1980 the Food for Work Programme has been re-shaped into National Rural Employment Programme. The NREP is funded on a matching basis by the Centre and the States. During 1980-81 over 2.05 million tonnes of foodgrains was made available. It is estimated that over 326 million mandays of employment has been created during 1980-81. During 1981-82, a total provision of Rs.180 crores has been provided in the Central Sector. Another Rs.180 crores should become available from the States as their share. During 1981-82, upto the present, an allocation of 1.5 lakh tonnes of foodgrains has been made for NREP. This is rather small. To maintain the essential character of this programme, the requirements of foodgrains under the NREP should be first charge on available food stocks.

2.35 While the programme is good in concept, its implementation has thrown up a few problems. In many States, the NREP is being implemented through the P.W.D. and other Departments. Developmental works undertaken under the NREP are often without coordina-

tion or integration with the requirements of families identified for assistance under the IRDP. Works selected under the NREP should be such as to play a supportive role in beneficiary-oriented developmental programmes under the IRDP. This aspect needs to be emphasised and appreciated. Secondly, in a number of States, adequate funds have not been provided for undertaking this programme. It appears that the normal funds of the departments like the P.W.D., Irrigation etc., are sometimes shown as being the matching contribution from the States. The NREP is an additional programme and this aspect deserves to be maintained by providing matching funds in the States' budget over and above those normally available with the departments. Further, the works to be selected for being undertaken under NREP in the villages should be decided upon in consultation with village panchayats and Gram Sabhas. There are a number of other reforms which need to be implemented in the NREP. For example, at the work sites arrangements should be made, may be through a mobile fair price shop, to provide the labour, essential commodities including food at controlled prices. There should also be some coordination between the NREP and the employment guarantee/employment affirmation schemes, referred to earlier.

2.36 An outlay of Rs.980 crores has been provided for the programme for the Sixth Plan in the Central Sector. There will be a provision of Rs.6.40 crores in the States' Plan for this programme, for Sixth Plan as from 1981-82 onward, it is being operated on 50:50 sharing basis. The outlays provided in the Central and State Plans are expected to generate 300 to 400 million mandays of employment on an average, per year during the Plan period. The outlay for NREP includes both the wage as well as the material component of works. There is a demand from different States to increase the material component from the present stipulation of 33% so as to impart durability to the works created under NREP. This would be at the cost of the wage component. As the essential objective of NREP is to provide maximum employment, mostly of unskilled type and nearer the villages, it is necessary that the wage component is kept high and food is made

available as part payment of wages to the extent permitted by availability of stocks and acceptability on the part of workers.

IV. MINIMUM NEEDS PROGRAMME

2.37 Although the Minimum Needs Programme does not fall into any of the above three instruments of poverty alleviation, it is an extremely important scheme aimed at improving the quality of life and providing infrastructural support needed for alleviation of poverty. The concept of the MNP emerged and crystalised out of the experience of the previous plans that neither growth nor social consumption could be sustained much less accelerated unless they are mutually supportive. The programme is essentially an investment in human resource development. The process of free or subsidised service through public agencies is expected to improve the consumption levels of those living below the poverty line and thereby improving the productivity and efficiency of both the rural and urban workers. The Minimum Needs Programme lays down the urgency for providing social services according to nationally accepted norms within a time bound programme. Allocations for the programmes are earmarked.

2.38 The programme was introduced in the Fifth Five Year Plan and will continue during the Sixth Plan. Its components are:-

1. Elementary education
2. Rural Health
3. Rural Water Supply
4. Rural Roads
5. Rural Electrification
6. Housing assistance to rural landless labourers
7. Environmental improvement of urban slums
8. Nutrition.

2.39 With the Sixth Five Year Plan 1980-85, this programme would enter the seventh year of its implementation. During the past years States such as Punjab, Haryana, Maharashtra, Gujarat,

Kerala, Andhra Pradesh, Tamil Nadu and Karnataka have made good progress, while States like Madhya Pradesh, Rajasthan, Uttar Pradesh, Bihar, Orissa, West Bengal and the North Eastern States have lagged behind. The total outlay for the Minimum Needs Programme would be Rs.5,827 crores during the Sixth Plan period 1980-85. Of this, rural water supply, rural roads, elementary education and rural health would consume most of the outlay. There is, however, need to direct the programme much more specifically towards the welfare of the rural poor. Beneficiary oriented programmes like the IRDP, TRYSEM and distribution of ceiling surplus land, could have much more impact if these are integrated with the Minimum Needs Programme.

2.40 To sum up, there are a number of beneficiary-specific and area-specific programmes in addition to supplementary employment schemes for alleviating absolute and abject poverty in the rural areas. The very spatial dispersal and magnitude of the problem of rural poverty is, however, such as would call for multi-pronged strategies evolved and implemented with the full consent, involvement and participation of the people for whom they are meant. The larger the number of agencies and programmes designed to alleviate rural poverty, the greater is the problem of securing coordination and inter and intra-activity integration. In the next chapter, an attempt has been made to deal with some of these issues and make specific recommendations.

CHAPTER III - RECOMMENDATIONS

1. CONCEPT OF INTEGRATED RURAL DEVELOPMENT

3.1 In 1976, the then Finance Minister introduced along with budget papers, a "Strategy for Integrated Rural Development" in the country as a part of Government's policy to eradicate rural poverty and under-development. The strategy then introduced, was mainly based on the scientific utilisation of the available resources in each district, on the lines recommended by the Indian Science Congress which met at Waltair in January, 1976. For this purpose, a developmental balance sheet indicating the agricultural and other assets as well as liabilities was to be prepared. Employment generation programmes were to be based on resource utilisation strategies. In other words, the objective of the programme was to promote the optimum utilisation of the economic growth potential of each district. The Budget paper lists the broad objectives as follows:

- "(a) Full employment of labour and physical resources:- We should activate the 100 to 120 million people in the age-group 15-59 years in the total work force of 300 million, and draw them into the mainstream of economic activity, in well conceived programmes of improved production and productivity.."
- (b) Agro-industrial complexes:- Around 75 million among the presently unemployed or under-employed people may have to be found jobs in activities other than cultivation of land and the growing of crops...."
- '(c) Minimum Productivity standards:- Laying down minimum standards of productivity or efficiency, to those who own or use precious natural resources, particularly land and water, in the overall social interest and in the interest of balancing the needs of the present with those of the future...".

To begin with, a detailed analysis of the developmental opportunities available in 20 districts in the country was made. A Core Group on Integrated Rural Development, set up in 1976

under the chairmanship of Dr. M.S. Swaminathan for suggesting a self-replicating and self-propelling model of rural development suggested the following guidelines for the preparation of the action plans:-

- (a) The Action Plans must provide gainful employment and increase the purchasing power of the rural poor, in particular, landless labour, marginal farmers, artisans and women;
- (b) Employment generation programmes must spring from scientific resource utilisation strategies so that the short and long term goods of development are mutually supportive;
- (c) The programme should be simple in operation and economically viable so that they are quickly capable of achieving self-reliance and self-replication, further, external inputs of manpower and material should be introduced in a manner that they are self-eliminating and not self-perpetuating; and
- (d) The major thrust of the programme should be the effective utilisation of the most priceless of all resources, namely the human resource through new skills, education and economic emancipation.

3.2 It was emphasised that the programmes should have no rigid structure, instead, each action plan should be tailored to suit local needs, resources and priorities based upon the felt needs and desires of the local community.

3.3 The planning phase was divided into three steps:-

- (a) Compilation of an integrated resources inventory to identify natural resources, infrastructure and target groups;
- (b) Undertaking a Malady-Remedy Analysis and preparing draft Action Plans indicating major break-through points; and
- (c) Vetting the draft Action Plans with the help of the local community and selecting programmes for implementation on the basis of priority being accorded to those which will help those with no assets.

3.4 A portfolio of well-defined and carefully costed projects were to be drawn up for each block. These projects were to be entrusted for implementation to the most appropriate non-official or official agency in the area. Such a 'Task Adoption' approach was meant to enable each of these agencies to monitor its own contribution in qualitative and quantitative terms according to a well defined milestone chart. The Task Adoption approach provides a method of harnessing the special capabilities of each organisation in medical, educational, agricultural, veterinary, industrial and other fields.

11. THE INTEGRATED RURAL DEVELOPMENT PROGRAMME

3.5 Following the change in the Government in 1977, the new Planning Commission went into the problem and decided to develop the concept of Integrated Rural Development at the block level evolved in 1976 and to convert the programme for small and marginal farmers and agricultural labour into the I.R.D. Programme. The concept of block level planning was introduced and guidelines for preparation of block level plans were issued. In addition to the blocks covered under SFDA, it was decided to take up an additional 300 blocks every year for achieving full employment within a period of 10 years. The coverage of this programme was 2600 blocks as on 31st March, 1980. In addition to the SFDA blocks, the blocks covered by the Drought Prone Areas Programme (DPAP) and Desert Development Programme were also brought within the purview of the IRD Programme. After the change of Government in 1980, the reconstituted Planning Commission proposed that in the first year of the Sixth Five Year Plan the IRD Programme should cover all the blocks in the country. Thus from October 2, 1980, the IRD Programme was extended to cover the entire country. The Sixth Plan adopted by the National Development Council in February 1981 contains a detailed outline of the approach and aims of IRDP. The Plan recognised that for the successful implementation of the IRDP, it would be necessary to establish adequate horizontal linkages with a number of other programmes at the field level. The major emphasis is on achieving integrated

action against the maladies of rural poverty and under-development. The Sixth Plan clearly recognises that the household centered poverty alleviation strategy should not only enable the poorest families to acquire productive assets and related technology and skills but also support these families with programmes in the fields of health, education, housing, applied nutrition, family welfare, women and children welfare, adult education, etc. The expert group endorses this aim and would suggest that integrated rural development should involve concurrent and coordinated attention to the implementation of the following programmes :-

- (a) Minimum Needs Programme;
- (b) Programmes designed to strengthen rural infrastructure including communication, marketing and storage, energy supply as well as training and skill formation under TRYSEM etc;
- (c) Rural employment programmes; and
- (d) Specific anti-poverty programmes e.g. IRDP involving asset transfer, skill formation supported by credit and other back-up services and facilities.

3.6 It was realised that the un-coordinated implementation of these programmes without complementary and mutually beneficial interactions will not enable the full benefits from these investments to accrue to the rural population. The District Rural Development Agencies which have now been set up in nearly all the 400 districts of the country, should therefore have the capability of coordinating and reviewing the progress of all these programmes with the help of the different implementing agencies.

While the DRDA should have a general coordinating function with regard to the above programmes, it must have a specific role in the target group oriented anti-poverty programmes. There are two major programmes in Plan which are specifically designed to help the poorest sections of the rural population. These are:-

- (a) The Integrated Rural Development Programme involving assistance to about 3,000 poorest families in each block during 1980-85 for raising them above the poverty line.

- (b) The National Rural Employment Programme designed to provide supplementary employment to the families of rural poor.

3.7 The Group recommends that the DRDA should be assigned the responsibility for implementing both these programmes in an integrated manner. In the tribal areas there already exists implementing bodies and arrangements for the ITDPs. These bodies are operating generally at a level in between the block and the district. The coordination mechanism between the ITDP agencies and the DRDAs needs to be evolved in different States so that the two programmes re-inforce their total combined impact on the target population. In some States such as Gujarat and Maharashtra the Zila Parishads have been assigned and are fulfilling an important role in development. In the North-East, the Development Councils occupy a pivotal position in development. The Group assumes that such existing arrangements as are working well would be strengthened and supplemented and not supplanted by the DRDA. Similarly, where elected Zila Parishads/Panchayats have come into being, the DRDA will coordinate with the Zila Parishad and Village Councils. In other words, we recommend a flexible approach relating to the role of DRDA based on local needs and circumstances. What is needed is an effective institutional mechanism for discharging the functions assigned to DRDA.

3.8 The NREP is intended to provide employment for, and generate purchasing power among, the poorest persons in the rural areas, who subsist by unskilled manual work. This programme should, therefore, receive very high priority in the allocation of resources and in the attention given by the State Governments for efficient implementation. The Group recommends a minimum of one kg. of grain should be made available per day for every worker under this programme. Whenever adequate grains are not available, at least women working in NREP should be given grains. This will be an effective method of ensuring that children get food. Given the diversity of the country and the varying needs and situations, besides, foodgrains, other commodities like handloom cloth and other handmade products of common

use could also be utilized for partial payment of wages under the NREP wherever there is a surplus of such commodities. As it is important to provide for adequate maintenance of the durable assets created under this programme, it is suggested that the labour and material cost of maintenance of assets already created under this programme should be a priority charge on future allocation for NREP.

3.9 Since NREP is a residuary employment programme catering to the purpose of providing the ability to purchase one's daily bread to the really needy, it is important that this programme is expanded based on local needs. "Work for All" is the only method through which other objectives such as "Health for All" can be accomplished. In order to expand this programme on the lines of the Employment Guarantee Scheme of Maharashtra, the following measures should be taken by the DRDA:-

- (a) Mobilise resources for the material component of the programme from projects in fields like irrigation, communication, social forestry, minimum needs programme, etc. This will help to conserve the NREP funds primarily to pay wages, both in cash and grain. The funds available for NREP from the States are to be treated as additional and not as a substitute to the normal and existing programmes of the various departments;
- (b) Utilise contributions from industrial houses, Rotary Clubs, etc. for expanding and strengthening the NREP programme;
- (c) Achieve horizontal linkages with other developmental programmes so that NREP becomes an important instrument of integrated rural development;
- (d) Provide employment to women to the maximum extent possible and provide at work site essential commodities at fair price through mobile fair price shops; and
- (e) Operating N.R.E.P. in such a way that it helps in enforcing the payment of the prescribed minimum wages in the area.

3.10 In periods of shortages of foodstocks, the requirements of grains for NREP should be considered as first charge. Works

which will create assets of direct benefit to scheduled castes and scheduled tribes should be given preference. NREP, if implemented properly, can help to enforce minimum wages and improve child nutrition. It will also enable children to go to school, and help to reduce the incidence of child labour. The effective implementation of NREP should hence receive the highest priority both from Government and the well-to-do sections of the population.

3.11. Certain specific suggestions with reference to the identification of the poorest families and the method of helping them to become economically viable are given below:-

(i) Identification: The best method of identifying the poorest families in a village would be to make the selection in open meetings of the Goan Sabha/village Community. The Group feels the coverage of beneficiaries in a block should be geographically as extensive as possible. The availability of supporting infrastructure and back up services necessary for credit, input deliveries, marketing, etc. may, however, have to be kept in view. This may require the adoption of cluster approach (particularly for the selection of developmental schemes) in addition to the need for wider dispersal of beneficiaries. Special efforts should be made to see that the far off and inaccessible areas are not left out.

(ii) The guidelines issued by the Ministry of Rural Reconstruction stipulate that at least 30% of the beneficiaries identified in each block should belong to scheduled castes. The Group is of view that since the poorest of the poor mostly belong to scheduled caste and scheduled tribe families in villages, the percentage of families belonging to these socially disadvantaged groups should be raised to a minimum of 40% so long as the identified families fall below the poverty line at the block level. The minimum percentage should be reviewed after the data from the Block Surveys become available. In tribal sub-Plan areas, where the concentration of tribals is high, a suitable increase in

this minimum percentage to 80 or so may be necessary. The total population of scheduled tribes is estimated to be about 4.5 crores or say 90 lakh families. The tribal sub-Plan cover 622 full blocks and 283 part blocks. Ignoring the part blocks, the number of families to be taken up under the IRDP in the 622 full blocks would be 18.66 lakhs during the five-year period of the Sixth Plan at the rate of 3,000 families per block. Earlier it has been mentioned that the minimum percentage of coverage by all scheduled tribes families by IRDP in Tribal sub-Plan areas should be 80. This means that about 15 lakh of the 18.66 lakh families should belong to scheduled tribes. It is envisaged that the rest of the families living below the poverty-line (may be of the order of about 30 lakhs roughly) would be taken care of through the strategy of Tribal Sub-Plan.

(iii) It is observed that income of women in poor families is usually utilised in improving the quality of life of the family and a significant proportion of poor families depend on the earnings of women. Within the family centered approach to poverty alleviation, therefore, specific attention should be paid to improving the income of women especially those who are the main supporters of their family or heads of households. Widows, destitutes and physically handicapped should be specially cared for. The Group recommends that a post of Lady Credit Officer be created at the DRDA level to help in preparing projects/schemes for women. This will facilitate the flow of credit from financing institutions to women speedily. The National Bank for Agriculture and Rural Development should arrange suitable training programmes for these Lady Credit Officers.

(iv) The greatest deficiency at the moment lies in the area of project identification and formulation for the rural people. The available expertise in this field is limited. The project profiles and project modules should be developed for a variety of activities in different blocks. These standardised project modules could be used for project formulation and assessment of demand for credit and finalization of schedule for recovery. On the

other hand, the Group feels that the variety of projects now being offered to beneficiaries can be considerably enlarged by new innovative schemes. An All India Coordinated Research Project on technologies for landless poor should be initiated immediately jointly by all the major scientific organisations in the country. Every DRDA should have linkages with this All India Coordinated Project. A Rural Resource Corps of Young Professionals including persons from community poly-technics should be recruited on non-formal employment procedures in a pool to be operated by Department of Science and Technology in order to assist the DRDAs in providing the needed skills to the beneficiary families. In the deployment of members of the Rural Resource Corps by DST, an inter-disciplinary cluster (i.e. a farm-graduate, an engineer, a social scientist, a home scientist etc.) may be assigned to the areas where there is need for technical back up services. Such teams could also be used to disseminate technologies developed under the auspices of CART. The National S & T Entrepreneurship Development Board should keep the Coordinated and Rural Resource Corps projects under constant review.

(v) Subsidies alone will not be adequate to help the poorest families. What is urgently needed is beneficiary-oriented services such as animal health care, raw material supply, marketing arrangements etc. The Group recommends that upto 20% of the IRD funds may be utilised for providing the needed back up services directly relevant to the families embarking upon specific professions like animal husbandry, small and village industries, sericulture, fisheries, etc. Such back up services should be organised with the help of the youth belonging to the families of the rural poor who could be trained under TRYSEM for organising these services. This will ensure that the funds intended to assist the rural poor only go to them. The youths belonging to scheduled castes and scheduled tribes should be selected for training, as far as possible.

(vi) Group self-employment should be promoted wherever this will help to make the occupations economically viable and in

order to help prevent 'social leakages'. The form of organisation of these groups may be kept flexible.

III. ASSET TRANSFER

3.12 The Sixth Plan has laid considerable emphasis on the transfer of assets in the form of land and/or livestock to the rural poor. In this context the following two measures could be suggested:-

- (i) Financing the programmes for minor irrigation (wherever possible) so as to bring all the irrigable area held by the poor population under irrigation in the next five years or so, on a priority basis;
- (ii) To undertake soil conservation projects on a priority basis for the land held by the poor population, especially wherever such land is held by them in contiguous blocks.

3.13 At present nearly 16.37 lakh hectares have been declared surplus, while only 7.45 lakh hectares have been distributed. The balance of about 9 lakh hectares should be taken possession of and distributed expeditiously. The Sixth Plan envisages extension of major and medium irrigation facilities over 57 lakh hectares with an outlay of Rs.8,448 crores. This large programme in the field of irrigation should help to find extra land for redistribution. The Group hence recommends that where new irrigation facilities are being created with public funds under major and medium irrigation projects, the land ceiling laws should wherever necessary be modified to enable reclassification of the land for the purpose of ceiling. This would help provide surplus land for distribution among landless poor.

3.14 Experience in the Rajasthan Canal Area where land has been allotted to landless labour families has, however, not been satisfactory. Stage II of Rajasthan Canal Area in particular should be used as a model for assisting landless labour families on the above basis to enable them to take to intensive agriculture, horticulture and animal husbandry. This will call for new insti-

tutional devices. A group of families in a watershed or command area can be assisted in taking to economically viable enterprises through the organisation of 'Horticulture Estate', 'Poultry' or 'Dairy' Estate, 'Agriculture Estates' etc. The aim is to promote efficient decentralised production supported by centralised services. For example in a Poultry Estate, each family may have a 200 bird unit. The families will be provided with Centralised assistance in immunisation, nutrition and marketing. DRDAs could utilise the management expertise available with voluntary agencies in organising such estates.

3.15 Though there is a provision for some financial assistance to the families who are allotted ceiling surplus land which is generally of poor quality, experience has shown that they are not able to develop it satisfactorily. In fact, the budgetary provisions for assistance to such families for development of land remain mostly unutilised.

3.16 It is, therefore, necessary that the responsibility for the development of such land so as to make it fit for cultivation is taken over by the State. Instead of giving grants to individuals for development of ceiling surplus land allotted to them, the Government should directly incur the cost of development to make the land fit for cultivation. Such help by the Government should also be extended for development of land (i) gifted voluntarily by the land-owners under the Bhoodan movement and (ii) waste land, Goan Sabha land, etc. allotted to the landless.

3.17 Under IRDP, livestock assets are also being transferred. There is shortage of good livestock. The Central, State and Military Cattle Breeding Farms should take up special programmes to meet the needs of families under IRDP, and other schemes included in the Special Component Plans and Tribal Sub-Plans. As regards the transfer of livestock assets, the Operation Flood II Programme envisages a coverage of 10 million farming families. The Group recommends that at least about 75% of the families chosen for special package of assistance under Operation Flood II in the form of feed, fodder, health care, breeding animals, should

belong to the landless poor, so that they have some supplementary income. In particular, women should be chosen under this programme. In all decentralised production programmes based on the principle "every home a factory", appropriate centralised services in training, marketing the other "felt-need" area should be organised by the DRDA or the appropriate project implementing agency.

IV RURAL WOMEN

3.18 The most vital step required to free rural women for creative/productive work is to implement vigorously programmes (e.g. community forestry and drinking water supply) which make drinking water and fuel easily accessible. The implementation of these programmes alongwith NREP will also provide short run employment to women. Vigorous implementation of minimum needs programme which embraces education and medical services will enhance long-term employment opportunities in areas where women's suitability is already well established. Special training programmes could be devised under TRYSEM for women to ensure their absorption in these services at a higher rate. Women engaged in production activity in a wide variety of cottage industries will also be benefitted by a dynamic implementation of the scheme of Rural Marketing and Service Centres which are intended to provide raw materials, marketing services and technical guidance.

3.19 Educational facilities for girls belonging to scheduled caste and tribal families should be expanded. At present, literacy rate is very low among girls belonging to such communities. The reasons are partly economic. The family tends to have a stake in not sending children, particularly girls, to school. The answer lies in creating a stake in sending children to school. A special "Food for Learning" programme may be started on a pilot scale in areas where girls belonging to scheduled caste and scheduled tribe families are at present generally not going to school. Girls who attend school regularly may be given once a fortnight foodgrains, edible oil and milk powder. The special

'Food for Learning' project, could be initiated if necessary in the first instance with assistance from the World Food Programme.

V. CREDIT

3.20 Detailed suggestions on improving credit flow to the rural poor have been made by the Committee to Review Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD) headed by Shri B. Sivaraman. The Planning Commission has also set up a Committee to monitor the flow of credit to the weaker sections of the society. The following steps need to be taken urgently:-

- (i) Value orientation of the banking staff in rural areas so as to promote attention to the needs of the poor especially scheduled castes and scheduled tribes, women and the physically handicapped.
- (ii) Extension of coverage of commercial banks or regional rural banks branches particularly to cover villages and clusters of villages with large scheduled caste population and to cover Tribal Sub-Plan areas.
- (iii) Prescription of a time limit for the disposal of loan applications by bank branches and its enforcement in practice.
- (iv) Strengthening the capability in project formulation and establishment of linkages with DRDA, DIC and the Agriculture and Allied Departments and agencies implementing programmes under Special Component Plan for scheduled castes and Tribal Sub-Plan.
- (v) Organisation of mobile credit-cum-input supply fairs in order to provide timely credit support to time bound action programmes and to help illiterate rural families to overcome procedural handicaps. Banks should make special effort to meet the credit needs of women sponsored by the DRDAs under the IRDP. As earlier recommended, the DRDAs should have

a Lady Credit Officer on their staff to facilitate credit flow to women's occupations.

- (vi) The District Credit Plan should accord the highest priority to programmes for landless labour families.
- (vii) Adequate provision should be made for providing credit for groups undertaking back-up services for the beneficiaries.
- (viii) In evaluating the performances of bank staff in rural areas, the credit extended to rural poor especially scheduled castes and scheduled tribes, women and physically handicapped should be given appropriate weightage.
- (ix) Branch Managers should be instructed not to ask beneficiaries to produce third party surety, guarantee, etc., which a number of them are asking for, in spite of clear policy decisions that they are not necessary in respect of small loans.
- (x) Banks should be discouraged from extending credit for large rural and agricultural enterprises, where they compete with or discourage the emergence of a large number of small viable units.
- (xi) The current policy of allowing differential rate of interest concession to eligible borrowers only on individuals basis and not if they form a group or cooperative is not in the best interest of the poor. They stand much to gain through group action. Even from the point of view of the loaning agency, a group rather than an individual offers better safety for the loans. We recommend that Government should reconsider the present policy and permit differential rate of interest concession to be available to groups, associations of cooperatives of persons who are otherwise eligible for differential rate of interest.

- (xii) There is no clearcut provision for meeting credit needs of agencies producing raw material, marketing and other overhead services required for the success of individual household projects financed under IRDP or other similar programmes. As a consequence despite IRDP assistance to individual poor households their dependence on and exploitation by the intermediaries continues which defeats the basic purpose of the IRDP i.e., to raise the selected households above the poverty line. Clear directives are required to provide adequate credit for such purposes and specially to organisations servicing artisans, village industries and other rural vocations.
- (xiii) There is also need to remove the inhibitions and restrictions in providing credit to beneficiaries of Bhodan land. In consultation with the Bhodan Committees, appropriate credit guidelines should be issued to ensure flow of adequate credit to meet the development and production needs of the Bhodan and the Gramdan areas.

VI. EXPANSION OF THE SCOPE OF TRYSEM

3.21 The Group has considered the present scheme of Training of Rural Youth for Self-Employment. The scheme is a good one. Its scope and appeal are however restrictive as the youth of the poorest families are alone eligible for being trained under it at present. The Group considers that the problem of poverty is much more widespread. The need of rural youth in self-employment trades is much more pressing and wider. Hence, the Group recommends that the scope of the present scheme of TRYSEM be expanded to include rural youths from the families other than the poorest. The scheme may also in particular attend to the needs of educated unemployed youths in the rural areas. Such youths from families which are not so poor may, however, not be given the benefit of stipend which may continue to be restricted to the youths coming from the poorest rural families.

VII. DECENTRALISED PLANNING

3.22 There are two aspects of decentralised planning. First, the concept of area planning based on a survey of local resources and identification of investment opportunities for raising income levels. Second, the allocation of resources according to carefully determined priorities. The Group would recommend going back to the 1976 concept of district level planning. For this purpose, it will be necessary to provide support to the district planning machinery. The Group welcomes the initiative of the Planning Commission in this respect. In order to make decentralised planning meaningful and effective, the district planning machinery should be strengthened and its capability for preparing useful area plans at block and district levels considerably enhanced. The Block is the operational level for implementing many of the poverty alleviation programmes. Its coordinating and implementing role for different sectoral developmental schemes should be recognised and strengthened.

3.23 It has been the experience, however, that wherever decentralised area planning has been attempted in the past, the identification of resources, projects and programmes at the local level is not supported by investment funds. This renders the whole planning resources somewhat illusory. The Group considers it very essential that in order to make decentralised planning meaningful, the district level planning body - by whatever name it may be called - should have an allocative function in regard to the available resources for investment. Some States have sought to achieve this objective by dividing the total State Plan resources into divisible and non-divisible portions and by distributing the divisible part to the various districts according to objective criteria such as population, irrigation etc. The district planning body then decides on the sectoral allocation of this lumpsum fund in accordance with its own order of priorities determined with reference to local resources and needs. The Group would strongly recommend that this pattern of decentralised plan resource allocation should be followed by all the States as early as possible.

3.24 In the last few years a number of agencies have been established at the district level such as District Planning Body, the Zila Parishad, DRDA, District Industrial Centres, District Manpower Planning and Employment Generation Councils, etc. for rendering specialised services. Working in coordination, these bodies could reinforce each others' efforts. The Group recommends that the state governments may devise suitable mechanisms and guidelines to ensure proper coordination in the functioning of these and other departmental agencies operating at the district level.

3.25 The Group would like to stress that the arrangements envisaged above including the role to be played by DRDA are essentially short term measures. In the long run, the local development functions ought approximately be entrusted to the utmost extent possible and increasingly to the elected bodies from village panchayats upto Zila Parishads. The Gaon Sabha/ Village Council should not only be entrusted with the identification of eligible beneficiaries but also with the implementation of developmental schemes. The Sixth Plan has emphasised the importance of Panchayati Raj bodies as an effective instrument of participatory development, and urged the state governments to take early steps for their revival and re-vitalisation. The Group recommends that the Central and State Governments may put the Panchayati Raj bodies in position with despatch and endow them with adequate powers and resources commensurate with their responsibilities.

3.26 In the particular context of implementing poverty alleviation programmes, the Group feels that much greater attention needs to be paid by State Governments to the training, orientation and motivation of staff at the block level especially in organising the poor for self reliant action and in area planning and macro project formulation.

VIII. RECOMMENDATIONS REGARDING CERTAIN CATEGORIES OF RURAL POOR.

3.27 The Group recommends that the DRDA should concentrate on rendering assistance to the poorest families through IRDP and NREP programmes. There are, however, other categories of rural poor engaged in different professions who also require assistance. These categories and our specific recommendations in regard to such families are given below:-

(1) Farmers and Fishermen

3.27(1) A majority of people living in villages derive their income from land and water based occupations such as agriculture, horticulture, animal husbandry, fisheries and forestry. While the Fish Farmer Development Agency extends support to inland fisheries, there is need to provide similar assistance to marine fishing also. Like artisans, fishermen also suffer an acute erosion of their income on account of rampant operation of layers of middlemen. Comprehensive marketing facilities should, therefore, be provided to them so as to effectively reduce the middlemen and their margins. There is need for development of a specific programme to help the traditional marine fishermen who are among the rural poor. They should be enabled to acquire traditional boats under self-employment schemes of institutional financing agencies. Integrated credit services to these fishermen should be provided by linking credit with marketing of fish catches. The Fishermen Cooperatives should be organised on the lines of milk producers cooperatives, 'AMUL' so as to make available to the small fishermen a complete package of services, including supply of inputs, extension services, processing and marketing of fish. In order to save them from the clutches of commission agents of middlemen, there should be some provision for advance of consumption loans by these cooperative societies during the monsoon season when fishing activities almost come to a standstill. These societies should also inculcate the habit of compulsory savings amongst

fishermen during the normal fishing season. Besides the above, the State Governments should also devise suitable programmes to assist the traditional fishermen in improving the living conditions in terms of habitations, health, education, etc. Inland and coastal 'Aquaculture Estates' should be organised in order to help the families of small fishermen to get additional income and employment through culture fisheries.

3.27(2) With the growth in population, there is a rapid increase in the number of small and marginal farmers and share croppers. In the present method of identification of IRDP beneficiaries (i.e. poorest 600 families per block per year) small and marginal farmers tend to get excluded. Small and marginal farmers require assistance in the form of knowledge supply, input supply and producer-oriented marketing particularly of vegetables and horticultural produce. Knowledge transfer is now being done also through the Training and Visit System of extension. Input supply is in the hands of various agencies including cooperative societies. There is need for an integrated programme of knowledge and input transfer to small and marginal farmers. This programme is essential to improve agricultural production. It is now widely accepted that a small farm offers immense potential for labour intensive agriculture based largely on organic recycling procedures. However, a small farmer suffers from many handicaps such as lack of purchasing power, inability to take risks and an ignorance of marketing operations. Invariably the village money lender is also the merchant and farmers part with their produce at low price because of their continued dependence on money lenders. The Group recommends that support for producer oriented marketing should be accompanied by suitable credit facilities.

3.27(3) The productivity of small and marginal farmers can be improved by assisting them to undertake scientific land and water use. Water is a prime necessity. Hence, schemes for providing subsidies and credit for individual and community water harvesting and minor irrigation works should be

re-introduced without delay. "Pani-Panchayats" of the Maharashtra pattern need to be encouraged and supported. We recommend that the whole programme for small and marginal farmers and for other land and water based occupations may be dealt with by the Department of Agriculture and Cooperation of the Ministry of Agriculture in collaboration with the Ministries of Rural Reconstruction and Irrigation.

3.27(4) The Group also recommends that the Ministry of Agriculture at the Centre may formulate a separate Small Farmers Assistance Programme primarily for the purpose of assisting farmers with 2 hectares and below to derive economic benefit from new technology. In the case of minor irrigation 50% subsidy should be given to community water harvesting and watershed management programmes. For individuals subsidies should be available upto 4 ha. ownership in the case of minor irrigation projects. If this is not done the average productivity will remain low in most farming systems and the country will not be able to produce the food needed for the growing population.

3.27(5) In this programme, registered share croppers and assignees of Government waste land, ceiling surplus lands, Bhoodan lands and lands belonging to Gram dan villages should be given the first priority, both because they are the poorest and weakest among the small and marginal farmers and also because their lands are inferior in productivity and require greater assistance in the effort for maximising national agricultural production.

(2) Rural Artisans and Village Industries

3.27(6) Next to the farming community, the largest proportion of the rural population belongs to the artisans category. Rural artisans face many problems such as:

- (a) Quantitative and Qualitative aspects of raw material supply;
- (b) Energy availability;
- (c) Designs; and
- (d) Marketing especially, the operation of layers of middlemen.

3.27(7) Raw material is the biggest bottleneck of the self-employed rural artisans. Often they have to buy the raw materials from the retail market at a high price e.g. in Gujarat, Bamboo available in the forest worth 26 paise is sold outside the forest by the retailer at the price of 6 rupees per bamboo. While the buyers of the products made by the rural artisans are common and poor people and, the cost of raw material being high, the margin of income of the rural artisans remain very low. Raw material like bamboo, yarn, wool scrap of big industry should have easy and prompt supply for the small producers.

3.27(8) The problem of raw materials for the village potter has become extremely acute all over the country. The traditional arrangement of the community providing them with land from which the potters could take out clay has broken down. It is therefore necessary that the potters are provided with long term loans at reasonable terms to enable them to buy land needed to meet their raw material requirements.

3.27(9) Public policies should be modified to remove impediments wherever these occur in the supply of raw material at reasonable price to the artisans. In fact the actual small producers should have the first claim over the raw material. It should be made available to them directly from the source by eliminating the middlemen in between, Where the raw material is in the control of the state itself, e.g. cane and bamboo, the requirement of the artisans should be made first by the state before disposing of the surplus to trade and industry. Sales depots should be developed at geographical levels which permit easy access to the rural artisans.

Rural Marketing Centres

3.27(10) A scheme of establishing Rural Marketing and Services Centre (RMC) at the Block level had been started in 1978-79 for providing essential overhead services and supplies to the village artisans in remote villages was sponsored jointly by the agencies responsible for development of decentralised industries and administered on their behalf by the Handicrafts Board. At the

suggestion of the Planning Commission the scheme was initially to be tried on a pilot basis in selected blocks.

3.27(11) In the past 2-3 years, about 100 Rural Marketing and Services Centres (RMCs) have been set up at the Block level, on a pilot basis, to arrange for the supply of raw materials, to provide market links by middlemen and to provide them technical services. RMCs were also intended to provide the needed supporting cover for institutional credit to the artisans. The working of the scheme has been recently evaluated and commended by an expert committee. The Group reviewed the report of the expert committee appointed by the Development Commissioner for Handicrafts and recommends that the various proposals made by this committee be taken up for immediate implementation. The RMCs should be extended to cover other Blocks and further improved by providing them with professionally trained staff. There is urgent need for relevant market survey and research. Pre-investment surveys should also be made before new occupations are recommended to the rural poor.

(3) Migrant Labour.

3.27(12) Migrant labour is yet another vulnerable category among the rural poor characterised by low and unsteady income. They account for a large proportion of the unorganised labour force in the country. Due to economic pressures and lack of employment opportunities in their place of residence, they are forced to migrate outside in search of better opportunities. Bulk of this class consists of construction labourers. Unorganised as they are, they do not have adequate power to bargain for better pay as well as conditions of work. Ignorance, poverty and illiteracy have been responsible in varying degrees for their low level of living. They are also exposed to health hazards due to insanitary conditions of living. Female workers predominate in number and because of this factor their children do not get adequate care and facilities for health and education. Their vulnerability is unique in many respects requiring attention.

3.27(13) The Sixth Plan has suggested that in order to give a fair deal to this group, the following steps should be taken:-

- (a) Provision of some degree of stability and longer duration of employment;
- (b) Recognition of special role of women in the labour; and
- (c) Infrastructure for the development and practical implementation of services which are provided for by existing legislation.

3.27(14) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979 which has been brought into force with effect from October, 1980 provides for registration and licensing of establishment and provides many safeguards against exploitation. Under this Act the labourers are also entitled for amenities like suitable living accommodation, adequate medical facilities and protective clothing to suit various climatic conditions. The provisions of the Act should be enforced strictly. For this purpose those State Governments which have not promulgated rules under the Act should do so expeditiously to make the provisions of the Act operative.

3.27(15) The Sixth Plan has also suggested setting up of a Migrant Labour Board at the national level with executive powers to enforce its decision. This should be set up without further delay. It is further suggested that the Board should have specialised social workers in each State to constitute a Migrant Labour Board. The State Board is expected to work in close collaboration with local authorities and to see that normal facilities and civic amenities are provided to these migrant labourers. The Board is also expected to fund creches, non-formal education centres and other specialised services.

3.27(16) In keeping with the recommendations made in the Sixth Plan, the Group recommends that the following measures should be taken on a time bound basis in order to improve the conditions of migrant labour:-

- (i) Minimum wages should be ensured;
- (ii) Minimum basic services for a better living should be provided at the labour camp where

- they spend long part of the year. This should include proper water and drainage facilities;
- (iii) Temporary ration cards should be issued to them to make them entitled to draw their ration from Fair Price Shops;
 - (iv) A mobile medical unit should be set up during the whole period of the camp;
 - (v) Literacy class should be set up during the period of the camp, and
 - (vi) Creches and nursery schooling facility should be provided during the camp.

(4) Bonded Labour

3.27(17) Among the various categories of rural poor discussed earlier in this report, bonded labour is perhaps the poorest of the poor, exploited for years and made completely assetless and dependable on the exploiters in a vicious circle. To prevent them relapsing back into bondage, it is necessary that as far as possible, the process of their identification, release and rehabilitation at one point of time by empowering the District Magistrates with necessary powers be completed. Besides involving the voluntary organisations in this process, the Bonded Labour Act, 1976 should be strictly enforced. As the present quantum of rehabilitation assistance has proved inadequate, it should be raised suitably and be accompanied by all the necessary back up services and inputs so that the rehabilitated labour gets a long term permanent means of livelihood. This can be done by pooling together the resources available in various sectors such as (a) the SC/ST special component plan assistance available through the SC/ST Development Corporation, (b) Backward Classes Welfare Programme, (c) the specific assistance available through the NREP for such sections. The children of the Bonded Labourers need to be encouraged to go to schools through incentive schemes and also to avail of the vocational facilities provided by District Industrial Centres and I.T.Is. The rehabilitation programme can be made more effective by greater involvement of voluntary organisations, better coordina-

tion of various rehabilitation programmes and dissemination of information about the programmes for the rehabilitation of bonded labour.

(5) Employment in Services

3.27(18) While land and water based occupations and small and village industries would continue to provide most of the jobs in villages, there is considerable scope for creating employment in the service sector. For example, the various services required under the Minimum Needs Programme, small farmers' programme and for marketing of commodities are best provided by the rural population themselves. A special effort will be needed to identify the areas where rural youth could be employed and train them in organising beneficiary-oriented and other relevant services and trades. This largely untapped sector from the point of view of employment generation requires special attention. Government Departments should also adopt wherever possible the non-formal employment strategy recommended in the Sixth Plan so that village youth could get some supplementary income and become involved in work relevant to community needs.

IX. Role of Voluntary Agencies.

3.28 The Sixth Plan has placed considerable emphasis on the crucial role of people's participation in their own development. Voluntary agencies are among the most important means available for enlarging the contribution of the people, mobilizing human resources for constructive tasks, and expanding the total effort for development. They are also often well suited for undertaking innovative projects, testing new possibilities through pilot projects, and enlisting the cooperation of individuals with special skills and experience who are willing to give their time and energy and experience who are willing to give their time and energy in the service of the community. While there are many outstanding examples of voluntary organisations working for rural development, for a country such as India, the numbers of voluntary organisations and voluntary workers are still comparatively small. The potential of voluntary effort is in fact so great that, in the interest of rapid social and economic advance,

everything possible has to be done to assist existing voluntary agencies, to encourage new voluntary agencies to come up, specially within rural and urban communities, and help train and equip voluntary organisations and voluntary workers to assume large responsibilities. Two sets of measures are likely to prove specially useful.

3.29 In the first place, since, for some time past, the work of the People's Action for Development (PADI) has tended to slow down, there is urgent need to take measures to activate it and to expand the scope of its activities. PADI has a valuable role as a channel for contribution from non-governmental foreign donors who wish to assist the development of rural areas in India and this service should continue. At the same time, as has been already recognised, it is no less essential that PADI should become a major channel for rupee funds contributed by Central and State Governments as well as corporate organisations. On its part, in view of the number of voluntary organisations at work in different parts of the country, PADI itself needs to adopt new administrative approaches with a view to decentralising its decision-making processes to the State level. Through State level initiatives, PADI may also provide useful guidance for action by District Rural Development Agencies in support of local voluntary organisations.

3.30 Secondly, considering the magnitude of the effort needed for rural development and alleviation of poverty, there is need to give systematic consideration to methods of promoting and stimulating the participation of non-governmental organisations at various levels and promoting a broad-based movement for constructive work throughout the country. The Plan provides extensive resources for all aspects of development. These are currently utilised almost entirely through government departments and their agencies. Only a negligible fraction of these resources becomes available to voluntary agencies. For this reason, many voluntary agencies with long experience of work at the community level are obliged to become dependent, in larger or smaller measure, upon funds provided directly or indirectly by foreign

donors. Yet, the resources which could go a long way to sustain and expand voluntary effort for rural development in fact subsist within the existing Central and State Plans. One of the main reasons why they do not become available to any extent even to well-established voluntary agencies is that the schemes in different areas of development are designed for implementation entirely or almost entirely by government organisations and personnel. It should be emphasised that, in the very nature of rural development, in each field, there are activities of which some aspects or components could be assigned with advantage for implementation through competent voluntary agencies which might be already at work or whose formation and development could be encouraged. In designing each programme, therefore, the Planning Commission and the concerned Central Ministries and Departments in the State should make a special effort to mark out those components and areas of action which can be 'passed on' with the necessary administrative and technical guidance and financial support, for implementation mainly by appropriate voluntary organisations. We recommend that the programmes bearing on agricultural and rural development which are currently in operation under the Sixth Plan should be looked at afresh from this angle by a working group comprising representatives of the Planning Commission, Ministry of Rural Reconstruction, Ministry of Agriculture, and where necessary, other Ministries that may be concerned.

3.31 We should also draw attention to the need to link the activities of voluntary organisations with research institutions and centres which have undertaken evaluation and study of rural development activities. The findings of these institutions and centres should be made widely available to voluntary organisations and to field agencies generally. Similarly, the problems encountered by the latter should be passed on to selected research institutions and centres for closer investigation. The possibility of establishing a special evaluation cell for rural development, established with support from PADI, deserves to be investigated.

Such a cell could be established, for instance, within the National Institute of Rural Development. In our view, it is of the utmost importance that problems which have proved difficult of solution in different aspects of rural development or in different areas should be identified and suitable solutions developed through well designed experimentation. There should be definite programmes within each state for sponsoring proposals for innovative action through voluntary organisations and technical and research institutions. The importance of generating new ideas cannot be over-emphasised. We recommend that the National Institute of Rural Development should be assisted in assuming a significant advisory and evaluative role in the systematic study of innovative activities being currently undertaken by voluntary organisations and field agencies generally and in proposing new areas for experimental and innovative action. In this aspect, the NIRD and PADI should work closely together.

X. ROLE OF UNIVERSITIES AND ACADEMIC AND RESEARCH INSTITUTIONS

3.32 In outlining the strategy for accelerating rural development, the Sixth Plan has stressed the importance of involving universities, research and technical institutions in the scientific utilisation of local resources and in promoting rural employment. As we have already mentioned in relation to the work of voluntary organisations, there is need to associate academic and research institutions with the work of rural development in a much more organic and continuing manner than in the past. We suggest that early steps may be taken by the Planning Commission, in cooperation with the concerned Ministries, to evolve specific proposals to achieve this objective. At this stage, we wish to offer three preliminary suggestions.

3.33 India now possesses a most valuable resource for development in the knowledge available and the potential for gathering new knowledge which exists in her network of universities and institutions of higher education, including agricultural

universities, institutes of science and technology, institutes of management, and other centres of higher education. Besides these institutions, there are large numbers of colleges and other institutions in every part of the country. The time has come to draw upon this vast and growing resource for speeding development, specially in those rural regions which have remained relatively underdeveloped, such as tribal areas, drought-prone areas, forest areas, hill regions and areas of heavy population pressure, where a large proportion of the population continues to subsist in a stage of grinding poverty.

3.34 Involvement of universities and colleges and of research institutions generally in the tasks of development in fields in which they have special competence, and greater interchange of knowledge and experience between them and specialists, administrators and planners working in government agencies in different parts of the country, will be of value to both and will materially assist social, economic and technological development, specially in the rural areas. It would be desirable to evolve appropriate methods for drawing social scientists and scientists and technologists generally, whose main work lies in universities and research institutions, into continuing participation in the effort for development. In close association with the concerned government agencies and DRDAs they could undertake, for instance, such tasks as survey and assessment of natural, material and human resources, evaluation, appraisal and monitoring, investigation of how knowledge already available could be utilized more effectively, and exploration of problems that call for more intensive study. They could identify those aspects of development in their respective areas in which action-research and planned experimentation are likely to accelerate progress and help design suitable pilot projects. Such experimental projects would provide opportunities for the direct participation of younger social and other scientists working in universities, research centres, colleges and other institutions. We suggest that steps may be taken along these lines, to begin with perhaps in a few selected areas where

there is a high concentration of poverty. Progressively, the experience gained and the methods developed can be extended more generally. We further suggest that a specific national scheme to realise the broad objectives mentioned above may be evolved by the Planning Commission in cooperation with the concerned Ministries, government organisations, science academies and professional associations.

3.35 The involvement of universities and educational centres in a significant manner in the tasks of development will also be of value in strengthening the National Service Scheme and giving to its activities a broader orientation than in the past. The NSS has now reached nearly 500,000 undergraduate students and has been recently extended in some states to the two upper classes of higher secondary schools. To a large extent, valuable as it has been, the work of the NSS has been concerned with various physical construction activities and with relief and rehabilitation programmes. The activities of the NSS could be greatly expanded in directions calling for greater skill and innovation. In each region, NSS units should be enabled to play a vital role in anti-poverty and special area programmes. They could also work to a greater extent both with voluntary organisations and as part of programmes in which universities and research institutions come to be directly involved. Extensions of activity along these lines will stimulate many more students in colleges and higher secondary schools to volunteer for the NSS, thereby gaining invaluable experience and training for themselves, learning the arts of leadership in action, and speeding local and regional development. By combining brain and brawn in programme development, NSS could become an important educational innovation for providing opportunities for learning through work experience.

XI. COORDINATION, REVIEW AND EVALUATION

3.36 The machinery for coordination at the Central, State, district and block levels requires strengthening. At the Central level, the Cabinet Committee on Agriculture and Rural Development

headed by the Prime Minister may like to review the progress of anti-poverty programmes once in six months on the basis of paper which should be prepared by the Planning Commission. This paper should inter alia bring out the proportion of benefits that have flown to the Scheduled Castes & Scheduled Tribes and the extent to which the minimum proportions specified in para 3.11 sub-para (ii) earlier, have been fulfilled. For this purpose, the high level coordination committee under the Chairmanship of Member (Agri), Planning Commission and having Cabinet Secretary, Secretary (Agriculture), Rural Reconstruction, Finance etc. as Members should be revived. In order to enable exchange of experience and information and to provide motivation, an annual conference of project Directors of all the DRDAs in the country should be arranged by the Ministry of Rural Reconstruction with the assistance of NIRD.

3.37 NIRD should prepare an annual review of experimental and innovative programmes or projects in the country whether sponsored by it or run by various agencies on their own. Based on this review it should recommend to government those programme ideas and implementation strategies whose success has been demonstrated by such experimental innovative projects. This will help to bring about improvement in programmes of rural development on a continuous basis. At the State level, a similar committee headed by the Chief Minister should undertake periodic reviews. At the district level, there should be a close coordination between DRDA and DIC, the District Agricultural, Animal Husbandry, Fisheries and Forestry Departments and the Scheduled Caste Development Corporation. The officer in charge of DRDA could serve as a Member-Secretary of such a coordinating group which should consist of elected representatives of the people (MPs and MLAs), concerned officials and voluntary organisations and academic institutions. The District Credit Plan should also be reviewed by this Group so that there is a close correspondence between the priorities of the District Credit Plan and the programmes for poverty alleviation.

3.38 With the quantitative expansion of the various anti-poverty programmes in the country, it has become all the more necessary that there is continuous effort at qualitative improvement. An independent evaluation at short intervals of different anti-poverty programmes can provide the necessary insight and information for continuous review and improvement in programme contents, implementation and even the strategy. The evaluation machineries in the State as well as Central levels need to be strengthened both quantitatively as well as qualitatively to match up to the tasks of evaluation of programmes.

XII. MANAGEMENT OF PROJECTS - TRAINING AND CONTINUITY OF PERSONNEL.

3.39 For effective management, it is necessary that the key personnel continue on a specific assignment for three to five years. Frequent transfers are adversely affecting the management effectiveness and efficiency. Promotion policies hence should be such that a dedicated officer can get a higher pay scale without having to move to another job.

3.40 Another urgent need is the provision of suitable management training to the officers in charge of the District Rural Development Agencies. A cadre of specially trained officers is essential, for improving the delivery of services to the rural poor. In this context we recommend that a few more regional institutes of rural management, on the lines of the institute established at Anand by the National Dairy Development Board, may be set up. Officers in charge of DRDAs should undergo training in such institutions. Pending the establishment of these institutions, officers-in-charge of DRDAs should be trained at NIRD and Institute of Rural Management at Anand.

XIII (I) SPECIFIC FOCUS ON SCHEDULED CASTES

3.41 The Expert Group recognises that a specific and major focus on the scheduled castes on the lines of the special

component plan already introduced by Government is required in the anti-poverty programmes for the following two reasons:-

- (i) Their high proportion among the poorest of the poor; and
- (ii) The social disabilities arising from the evil custom of untouchability to which they are subjected to making it difficult for them to avail themselves of their due share in the development programmes and outlays. There is a clear nexus between the economic plight of the scheduled castes and the social disabilities to which they are subjected.

In view of these, the Expert Group has made certain recommendations earlier in this chapter, in respect of NREP, IRDP, artisans and fisherman's programmes, etc. While a major part of the family coverage of scheduled castes must and can be achieved through the IRDP, there will still be a substantial proportion of the scheduled caste families who will have to be covered through programmes in other sectors. The Expert Group has also recommended a minimum percentage of coverage of scheduled castes and scheduled tribes as 40 per cent under the IRDP. The State Governments should, however, try to cover a larger proportion of scheduled castes than the minimum under the IRDP. The Group noted that many State Governments have already laid down higher targets than the minimum in their Special Component Plans. The Expert Group recommends that wherever possible and necessary, this minimum percentage of coverage under the IRDP should be further supplemented and strengthened by a higher coverage under other anti-poverty programmes.

(2) SPECIFIC FOCUS ON SCHEDULED TRIBES

Similarly the Expert Group is convinced that focus on scheduled tribes is necessary for reasons of (a) their high

proportion among the poorest of the poor and weakest of the weak and (b) their special problems arising out of their backwardness, illiteracy and isolation. The Tribal Sub-Plan Area is fairly well demarcated comprising blocks/tehsils which have a majority of scheduled tribe population. The Group envisages that in the anti-poverty programmes in the rural areas, specific focus should be given on scheduled tribes in tribal sub-plan as well as non-tribal sub-plan areas.

3.42 Assured delivery of development benefits to the SCs and STs however requires more than a mere earmarking of a portion of the plan and programme provisions. Specific programmes for identified groups such as leather workers, scavengers, shepherds, fishermen and fisherwomen should be launched on a substantial scale, in areas where their population is large employing strategies of providing appropriate package of services including technology, materials, training, tools, marketing and management services as has been done for example by AMUL for milk and oil seeds producers.

XIV IRDP - KEY TO GROWTH WITH SOCIAL JUSTICE AND SELF-RELIANCE.

3.43 The key to solving several of the major socio-economic problems of the country such as the unplanned migration of rural poor to towns and cities and the consequent growth of urban slums, the slow growth rate in land and water based occupations, the persistence of illiteracy and growing unemployment both among educated youths as well as unskilled workers lies in the speedy and effective implementation of the Integrated Rural Development Programme (IRDP) and the National Rural Employment Programme (NREP) in conjunction with the Minimum Needs Programme and rural infrastructure programmes. IRDP and NREP should be regarded as a joint sector activity between official agencies and the people of the area and the voluntary agencies. While flexibility in the design of programmes and implementation procedures will be necessary in different parts of the country there

should be no deviation from the human objectives of the programmes. Success of IRDP and NREP should be measured by the reduction achieved in the incidence of poverty. There should be a system of suitable recognition of the district which first succeeds in ensuring that no family in the district lives below the poverty line. The District Rural Development Agency, as the principal supporting and coordinating agency for anti-poverty programmes, should measure its success not just in terms of the money spent but by the additional income and employment generated in target-group families.

3.44 As the perspective plan projections (contained in the Sixth Plan document) show, there will still be a sizable number in absolute terms below the poverty line by 1995. The need for special programmes to eradicate poverty will thus persist till the end of the Century and indeed may need to be enlarged. However, while a continuous improvement in the special anti-poverty programmes and related organisational structures should always be aimed at, frequent tampering with them, should be avoided. As we gain experience in improving the delivery systems designed to reach the "unreached", institutional structures could be suitably adopted to meet new challenges. Creating a self-replicating and self-propelling model of rural regeneration should be the major goal of the District Rural Development Agencies.

CHAPTER IV

SUMMARY OF MAJOR RECOMMENDATIONS

4.1 The integrated rural development programme should involve concurrent and coordinated attention to the implementation of the following-

- (a) Minimum Needs Programme,
- (b) Rural infrastructural development programmes including marketing and storage, energy supply as well as training programmes,
- (c) Rural employment programmes, including the National Rural Employment Programme (NREP).
- (d) Specific anti-poverty programmes, such as IRDP supported by back-up services and facilities.

4.2 While the District Rural Development Agencies (DRDAs) should have a general coordinating function with regard to the above programmes, they must have a specific role in the target group oriented anti-poverty programmes. The DRDAs should also be assigned the responsibility for implementing both the Integrated Rural Development Programmes as well as the National Rural Employment Programme in an integrated manner. The officers in charge of DRDAs should undergo training in the operation of delivery systems designed to reach the "Unreached". Such training programmes may be organised by the Institute of Rural Management, Anand in cooperation with the National Institute of Rural Development.

4.3 The National Rural Employment Programme should receive very high priority in the allocation of resources and in the attention given by the State Governments for efficient implementation. A minimum of one Kg. of grain should be made available per day for every worker under this programme. Wherever adequate grains are not available, atleast women

working under NREP should be given grains. This would be an effective method of ensuring that children get food. In addition to providing food under the programme, wherever necessary and situation demands, other commodities like handloom cloth and other hand-made products of common use may also be utilised for partial payment of wages.

4.4 Since the poorest of the poor mostly belong to scheduled castes and scheduled tribes, the percentage of families belonging to these socially disadvantaged groups should be raised to a minimum of 40 per cent so long as the identified families fall below the poverty line at the block level. In tribal sub-plan areas where the concentration of tribals is very high, a minimum of 80% of the identified families should be from the tribal population. The minimum percentage should however be reviewed after the data from the block surveys become available.

4.5 In order to meet the specific needs of institutional credit from the occupations of women, a post of Lady Credit Officer be created at the DRDA level to help in preparing projects/schemes for women.

4.6 An All-India Coordinated Research Project on Technologies for landless poor should be initiated immediately jointly by all the major scientific organisations in the country. Every DRDA should have linkages with this All-India Coordinated Project. A rural Resource Corps of Young Professionals including persons from community polytechnics should be recruited on non-formal employment procedures in a pool to be operated by the Department of Science and Technology in order to assist the DRDAs in providing the needed skills to the beneficiary families and in preparing projects for bank support.

4.7 Considering the importance of providing supporting infrastructure and beneficiary-oriented services, upto 20 per cent of the IRDP funds may be utilised for providing appropriate back-up services particularly relevant to the

families embarking upon specific professions like animal husbandry, small and village industries, sericulture, fisheries, etc. Such back up services should be organised with the help of the youth belonging to the families of the rural poor who could be trained under TRYSEM. Thus, the funds spent on providing the needed services should also flow to the poor families.

4.8 Where new irrigation facilities are being created with public funds under major and medium irrigation projects, the land ceiling laws should, wherever necessary, be modified to enable reclassification of the land for the purpose of ceiling. This would help provide surplus land for distribution among landless poor.

4.9 The Government should reconsider the present policy of differential rates of interest and permit the interest concession available to groups, associations and cooperatives of persons who are otherwise eligible for differential rate of interest.

4.10 There is a clear need for meeting the credit needs of agencies producing raw materials, marketing and other overhead services required for the success of individual household projects financed under IRDP or other similar schemes. Clear directives are required to provide adequate credit for such purposes and to such organisations.

4.11 The Central and State Governments may put the panchayati raj bodies in position with dispatch and endow them with adequate powers and resources commensurate with their responsibilities.

4.12 Invariably, the village moneylender is also the merchant and farmers part with their produce at low prices because of their continued dependence on moneylender. Support for producer-oriented marketing should be accompanied by suitable credit facilities.

4.13 The whole programme for small and marginal farmers and for those dependent on other land and water-based

occupations may be dealt with by the Department of Agriculture in collaboration with the Ministry of Rural Reconstruction and the Ministry of Irrigation. Assistance to small and marginal farmers should be designed in such a manner that it will help to stimulate production. Agricultural and small industries production programmes are essential for enhancing rural prosperity. These should not be mixed up operationally with specific beneficiary oriented anti-poverty programmes. The Ministry of Agriculture at the Centre may hence formulate a separate Small Farmers Assistance Programme primarily for the purpose of assisting farmers with 2 hectares and below to derive economic benefit from new technology.

4.14 The participation of voluntary agencies in the comprehensive and integrated rural development on the scale envisaged in the country is essential. The programmes such as Peoples' Action for Development (PADI) bearing on agricultural and rural development should be reviewed by a Working Group comprising of representatives of the Planning Commission, Ministry of Rural Reconstruction, Ministry of Agriculture and other concerned Ministries. The aim should be to make voluntary action more widespread and effective.

4.15 The National Institute of Rural Development should be assisted in assuming a significant role in the systematic study of innovative activities being currently undertaken by voluntary organisations and field agencies generally and in proposing new areas for experimental and innovative action. In this respect, the NIRD and PADI should work closely together.

4.16 There is urgent need for imparting relevant training to rural youth belonging to different sections of the rural community. Hence, the scope of the TRYSEM scheme should be expanded so as to cover all sections of the youth. Stipends may, however, be given only to youth belonging to the identified poor families. Training should not be denied to non-stipend receiving youth.

4.17 There is need for a special "Food for Learning" programme to attract and retain girls belonging to Scheduled Caste and Scheduled Tribe families in schools. The family should have an economic stake in the child going to school, since the reverse situation is to a great extent responsible for widespread female illiteracy in such communities.

4.18 At the central level, the Cabinet Committee on Agriculture and Rural Development headed by the Prime Minister may like to review the progress of anti-poverty programmes once in six months on the basis of a 'Paper' which should be prepared by the Planning Commission. At the State level, a similar committee headed by the Chief Minister should undertake periodic reviews. At the district level, there should be a close coordination between DRDA and DICs, the District Agricultural, Animal Husbandry, Fisheries and Forestry Departments and the Scheduled Castes Development Corporations. The officer in charge of DRDA could serve as a Member-Secretary of such a coordinating group which should consist of elected representatives of the people, concerned officials and voluntary organisations and cooperative institutions. The District Credit Plan should also be reviewed by this Group so that there is a close correspondence between the priorities of the District Credit Plan and the programmes for poverty alleviation.

4.19 While a continuous improvement in the working of the DRDA should always be aimed at, frequent tinkering with the organisational structure should be avoided. Institutional structures should be continuously improved so as to bring about a proper match between form and function in such organisations.

No.Q-19012/37/78-RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhawan, New Delhi-110001.

March 27, 1981

NOTIFICATION

Sub:- Expert Group on Programmes for Alleviation
of Poverty - Constitution of.

Alleviation of rural poverty is one of the main objectives of the Sixth Five Year Plan. The major elements of the Plan's strategy in this regard are:-

- (i) Transfer of assets like land and livestock to identified beneficiaries,
- (ii) Employment generation programmes for wage and self-employment,
- (iii) A vastly expanded minimum needs programme,
- (iv) Steps for optimising producers' return and consumer satisfaction through the promotion of producer-oriented marketing and an expanded public distribution system.

2. Implementation of these programmes at the District/Block level has been entrusted to a number of agencies. The orientation of these programmes towards identified beneficiaries and households has been given considerable importance. The need to associate non-official bodies and voluntary agencies has also been recognised. The coordination of the activities of various implementing agencies is, therefore, essential.

3. In order to consider these matters, an expert group is proposed to be constituted with the following composition and terms of reference.

Composition

Dr. M.S.Swaminathan, Member, Planning Commission -
Chairman.

Non-officials

1. Shri Tarlok Singh, Former Member, Planning Commission, Indian Council of World Affairs, Sapru House, Barakhamba Road, New Delhi.
2. Shri E.P.W. de Costa, Managing Director, Indian Institute of Public Opinion Private Ltd., 2-A, National Insurance Building, Parliament Street, New Delhi-110001.
3. Shri L.C.Jain, Chairman, Industrial Development Services Private Limited., M-1, Kanchanjunga Building, 18-Barakhamba Road, New Delhi-110001.
4. Dr. C.H.Hanumantha Rao, Institute of Economic Growth, University Enclave, New Delhi.
5. Kumari Nirmala Deshpande, Paunar Ashram, Paunar, District Wardha, Maharashtra.
6. Dr. (Mrs) Ela. R.Bhatt, General Secretary, SEWA Bhadra, Ahmedabad (Gujarat).

Officials

1. Secretary, Ministry of Rural Reconstruction
2. Secretary, Ministry of Labour
3. Secretary, Ministry of Social Welfare
4. Shri M. Ramakrishnayya, Chairman, ARDC
5. Adviser (RD) Planning Commission
6. Adviser (LEM) Planning Commission
7. Adviser (PPD) Planning Commission
8. Joint Secretary (PEO) Planning Commission -
Dr. S.M.Shah
9. Joint Secretary, Ministry of Home Affairs, Incharge of Scheduled Caste Development
10. Joint Adviser (RD) Planning Commission - Convenor.

3. Terms of Reference

- (i) To review the various programmes in the Sixth Five Year Plan for the alleviation of poverty on the basis of the household/beneficiary approach.
- (ii) To review and suggest improvements in the detailed mechanisms for the implementation of these programmes with particular reference to:
 - (a) the content of programmes and projects to be implemented at the block level,
 - (b) the manner in which they could be developed at the national/State/District level.

- (c) the different organisational arrangements under which such programmes and projects could be implemented at the block level,
 - (d) the arrangements for continuous monitoring of the impact of these programmes and projects.
- (iii) To make recommendations on other matters relevant to the above terms of reference.

4. The Group will devise its own procedures and meet as often as required.

5. Non-official members of the Group (Committee) will be paid T.A. and D.A. as admissible to the officers of the First Grade under the rules of the Government of India.

Sd/- R.S.Saksena
Director (Administration)

To

1. Chairman of the Committee - Dr.M.S.Swaminathan
2. Convenor and Members of the Committee.

Sd/- R.S.Saksena
Director (Administration).

Standard distribution in Planning Commission.

No.Q-19012/37/78-RDC
Planning Commission
(Rural Development & Cooperation Division)

New Delhi, the 9th April,1981.

CORRIGENDUM

Reference Planning Commission's notification of even number dated the 27th March,1981 showing the composition and function of the 'Expert Group on programme for Alleviation of poverty'.

At serial No.10 under list of officials at p.2 of the notification the following entry may please be inserted:-

Joint Secretary, Ministry of Home Affairs incharge of Scheduled Tribes Development.

Sd/-
(R.S.Saksena)
Director (Administration)

To

1. Chairman of the Committee, Dr.M.S.Swaminathan
2. Convenor and Members of the Committee



Annexure II

Papers/Reports circulated among the Members of the Expert Group

1. Paper on Implementation of IRDP - Planning Commission and Ministry of Rural Reconstruction.
2. Paper on NREP - Planning Commission
3. Annual Report of the Ministry of Rural Reconstruction 1980-81
4. Sixth Five Year Plan 1980-85
5. Linking Vienna with Villages - Recruiting a part of Science and Technology for development by L.C.Jain.
6. Report of the Committee on National Employment Service - Ministry of Labour.
7. Report of the Working Group on the Development of Scheduled Castes (1980-85) - Ministry of Home Affairs.
8. Report of the Working Group on Tribal Development during Sixth Plan 1980-85 - Ministry of Home Affairs.
9. Note on Development of Scheduled Castes - Special Component Plan and its linkages - Ministry of Home Affairs.
10. Some steps for Mobilising People's Participation and expanding Institutional Resources for Development by Shri L.C.Jain.
11. Problems of Credit and Marketing Services for Rural Artisans - Planning Commission.
12. A Look at the IRD Implementation Arrangements - Kerala State by Shri L.C.Jain.
13. National Students Service and Rural Development Need for a new direction by Shri L.C.Jain.
14. Note prepared by Programme Evaluation Organisation based on findings of studies completed by it on the subject of Poverty Alleviation Programmes.
15. Report on the visit to Udaipur District by Shri Tarlok Singh and Shri De Costa.
16. An In-depth Study - Cost of Production of Labour and Minimum Wages by Dr. Abhay Bang.

17. The Roots, Flowers and Thorns by Antodaya by Shri Pran Chopra.
18. Identification of the Beneficiaries and Matching Occupations to them by NIRD, Hyderabad.
19. Programmes for Alleviation of Poverty - Some Thoughts on Operation Flood II by NDDB, Anand.
20. Suggestions for Removing Poverty from the life of Indian Families by Mrs. Ela R.Bhat.
21. Report of the Team of the Expert Group on Programmes for Alleviation of Poverty which visited Uttar Pradesh from 3rd August to 5th August, 1981.
22. Study on Rural Marketing Centres by SEWA - Ahmedabad.
23. Operational Guidelines for Preparation of Block Level Plan on IRDP by Ministry of Rural Reconstruction.
24. A note on Minimum Needs Programme -Planning Commission.
25. A Study of New Farmers in an Orissa village by Institute of Social Sciences, Agra University.
26. Report of the Committee to Review Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD).
27. "Tribal Sub-Plan as a Programme for Alleviation of Poverty" by Ministry of Home Affairs.
28. Review of the Working of the Rural Marketing Centres - Report of the Expert Committee - All India Handicrafts Board.